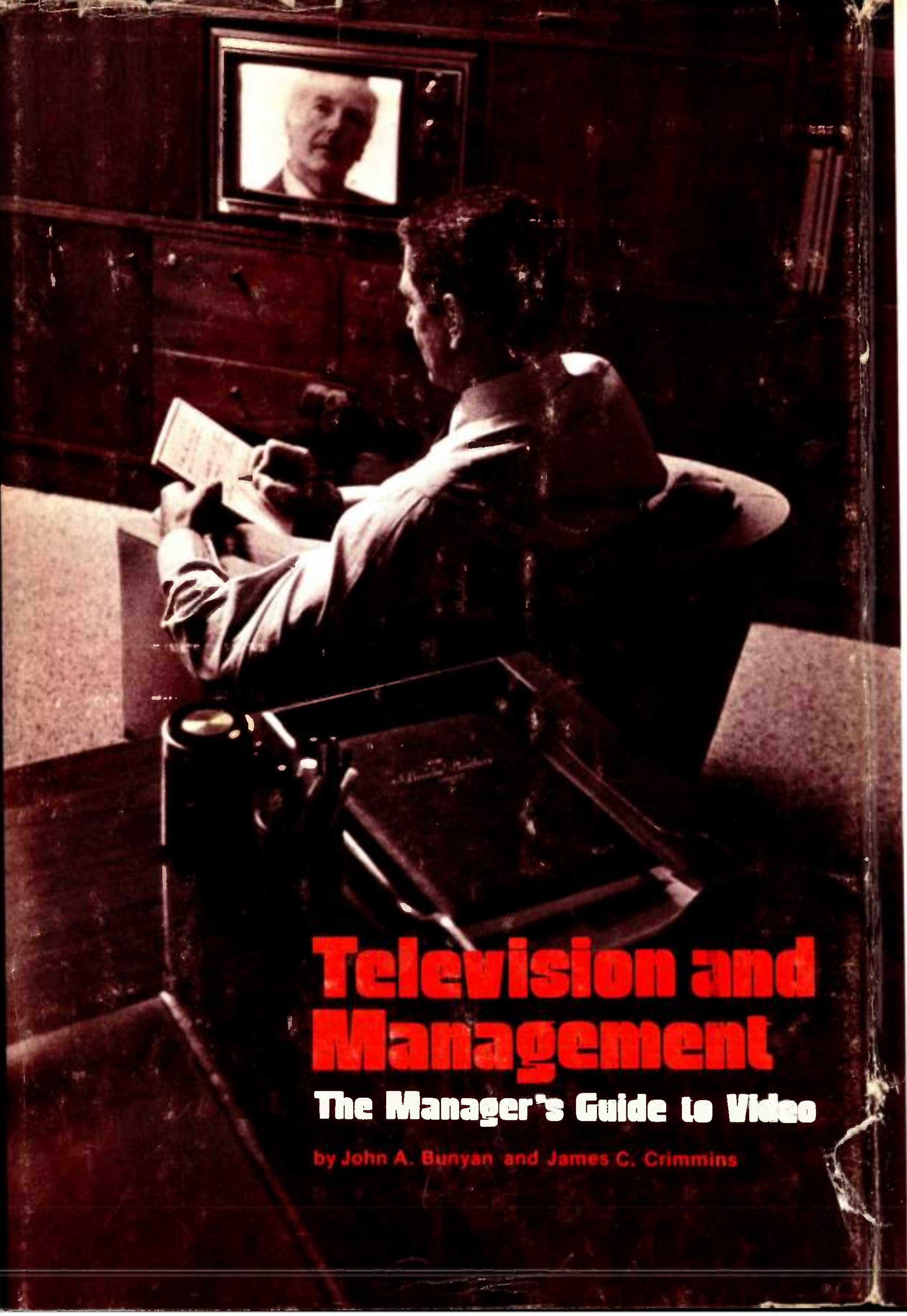

Television and Management

The Manager's Guide to Video

by John A. Bunyan and James C. Crimmins

TELEVISION AND MANAGEMENT
The Manager's Guide to Video
by John Bunyan and James Crimmins

Television and Management is rich in insights into the hectic world where business management and communications intersect.

The authors draw on their own experience as producers and consultants to describe the possibilities and the limitations of internal television communications for management. They illustrate how companies can get involved in television for the wrong reasons, wasting hundreds of thousands of dollars and valuable management time. They offer checklist procedures for analyzing a decision to get into video communications — plus a litmus test for knowing whether a given subject can be treated successfully by television. They prepare a sample budget to show what the real costs of a complete video department are.

Television and Management takes you behind the scenes in a fictional corporation, Noxoleum, Inc., to illustrate how communication problems grow along with a business . . . how one corporation turned to television in a desperate hope that it would resolve these problems . . . and how, as often happens, hope (without planning) was not enough.

Television and Management addresses itself forcefully to those people in an organization who need to communicate persuasively, effectively, and accurately; to those who seek new channels of communication and who wish to supplement the written and spoken word with cost-effective video communications.

The authors provide scores of specific examples of programs that have been produced to meet needs in: employee communications . . . management development . . . continuing education . . . reference . . . communication between branches . . . communication between R&D and marketing staffs.

About the Authors

James C. Crimmins is president and John A. Bunyan vice president of Playback Associates Inc., a New York firm specializing in management video communications. Since 1972 it has produced programming for such companies as Union Carbide, Johnson & Johnson, Citicorp, Panasonic, Mobil Oil Corporation, International Paper Co. and MONY. Its five-part film series "American Enterprise," produced for Phillips Petroleum Company on America's economic history, has received 10 medals, among them, five Cine Golden Eagles.

Knowledge Industry Publications, Inc.
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"Giant in a Hurry" by John Groth is reproduced here as an exercise in camera handling. Assume you have a camera which takes in only a small portion of this scene. You can make a frame out of a piece of paper which will show you this camera's field of view. Cut a rectangular hole in the paper 1" high and about 1¼" wide. Now lay this over the picture, and pan your camera around the scene. You can frame good and poor compositions, pan along interesting routes, apply many of the camera principles described in the first two chapters of this book.

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Contents

NOTE

Much of this book is based upon experiences we have had with our clients and colleagues. By no means, however, should any personnel of Noxoleum (the fictional company described in the text) be construed as portraits of particular individuals or companies. The Noxoleum managers and their stories are fictional composites.

ACKNOWLEDGEMENTS

Grateful acknowledgement is given to Jon Arlow, Robert Claflin, Suzanne Mead, and Mindy Schirn. This book has profited greatly from the considered judgment of Efrem Sigel. We appreciate his contribution.

We acknowledge also the faith and patience of our colleagues and clients in this business. It is their desire to pioneer with video which has made possible both the growth of the medium and, in turn, this book.

John A. Bunyan
James C. Crimmins

Introduction

Why You Need This Book

In 1975, by one estimate, American corporations, non-profit institutions and government spent more than $400 million on television hardware and software, with corporations accounting for about 75% of those expenditures*. By the same estimate this U.S. private television market will spend $580 million in 1976 for equipment and programming.

Does television pay off?

What applications make dollar sense?

What makes some television programming cost-effective and some wasteful?

Television has in many situations proved itself as a training tool, but what can it do for management?

How can the medium be implemented efficiently?

What are the risks?

What's required for functional programming?

**Private Television Communications: A Report to Management* (White Plains: Knowledge Industry Publications, 1974)

The burden falls both upon management and the video producer.

If you are a manager, chances are that tomorrow when you get to your desk, a stack of memos and telephone messages will be waiting. How much of your morning will be spent simply responding – by communicating? How much time will be spent initiating other action – by communicating? If you actually knew the real cost of communicating – the time and money you spend on letters, phone calls, memos and presentations – would you think that time and money to be efficiently spent?

Few managers could give an unequivocal "yes" to this question. The fact is, managers who are adept at harnessing technology in other areas of their job often fail to do so when it comes to one of the most central functions of management: communication.

This book is about a communications technology, television, and particularly about a form of television known as the video cassette, that can work for management today. The technology is not a cure-all, it has its limitations and its weaknesses. But where used properly, television can have a dramatic impact on operational efficiency and management productivity by supplying knowledge where it's needed. Video extends the presence of the manager, enabling him or her to be in more than one place at a time. The medium can very likely help you to manage more effectively. This book will help you to evaluate the potential for television in your organization; to better utilize the medium; and to save money. While television programming can be cost-effective, it can also be wildly overpriced. Mistakes are too often made. This book is about cost-effective video communication for managers and their companies.

If you are involved in video production, or in management of television within a company, this book can probably help you to better utilize the medium's capabilities. While some video departments are well managed, problems are common.

Some corporate facilities which were handsomely funded at the outset (often as part of a new corporate headquarters) are not performing up to the expected levels. Other companies have been unwilling to modernize facilities which are outdated. Too much programming that has been produced is largely without business value. The problem lies in adapting the technology to the needs of management – a problem which equipment alone cannot accomplish.

We think that with innovation in the application of video to corporate needs, the medium can have tremendous impact on the practice of management.

This is not a technical guide, nor is it a business text. Much of the material will appear basic to the experienced producer and to the manager. The idea of this book is to bring together the manager and the video producer in order to teach the manager about video and help the video producer better solve management problems.

The Management Summary and What Is Video For?, the first sections of this book, provide an overview of current corporate video applications and capabilities.

Chapters III and IV, Noxoleum and Backwards Into Video, tell the story of a fictional company, which grows from a small concern into a multinational corporation (known to Wall Street as NXI) with enormous communication and operational problems. Noxoleum eventually chooses to become involved with video, making many of the mistakes that real corporations have made. Although oversimplified, the case history provides a backdrop for video's application in the corporation.

Chapters V and VI, Planning for Video and Assembling the Studio, examine a process by which a company can logically proceed into video, including exploratory analysis, preliminary programs, program cost-benefit considerations and buy/make decisions for distribution, production, and editing equipment.

Chapter VII, Selecting and Planning the Programs, provides the producer and manager with a logical framework for program development and production. In Chapters VIII, Production and Post-Production, IX, Distribution, and X, Story of a Program, the phases of program production are brought together in a complete story of a program.

Chapter XI, Beyond Messages, examines television in the management library of the future, while Chapter XII, In Closing, sums up the highlights of the book.

One word before we begin. We believe in the potential of video systems for management. The future of the medium in the corporation, we think, will depend greatly upon the development of more cost-effective software. This book is written toward that end.

I
Management Summary

Television is being employed successfully to manage the increased information and knowledge demands within large organizations such as IBM, Ford, AT&T, Mobil, Deere, Citicorp, Union Carbide, and many others. Television has the ability to transmit messages uniformly, allowing managers to address complex issues without sacrificing subtleties of meaning or personal conviction. Properly produced, video communications dramatically increase the operating efficiency, cohesion, and productivity of organizations.

Recent institutional developments, such as the rapid growth and global dispersion of companies, the decentralization of their organizations, the diversification of their products, the proliferation of governmental regulations, and the information explosion have made the use of television cost-effective for many corporations. The video cassette technology was pioneered with the expectation of placing players in homes, but in the drive to perfect a consumer product, a low-cost system of private television for business and industry came into being.

When the video cassette first appeared on the corporate scene, it was used largely for training. Many companies still justify their television systems on the basis of savings easily measured in training costs. The cassette can eliminate repetitive sessions, presenting the company's best teacher, technicians, or salespeople on tape. It provides a way of multiplying the company's return from outside experts. Video cassettes function as an on-line resource; they remain available to train new employees as well as to retrain existing personnel.

The medium's potential as a management tool is just beginning to be appreciated. Face-to-face communications are becoming increasingly expensive – and time consuming. Traditional communications alternatives do not always offer the manager efficient message delivery. Written communications are diminishing in impact and credibility as the blizzard of paper intensifies. Telephone communications are subject to quality and content distortions, particularly in the transmission of complex messages. By contrast, managers can use video to communicate worldwide with ease and effectiveness. *Follow-up studies have shown that for management communications the impact of video cassettes can approach that of face-to-face presentation – at significantly less cost.*

In management communications, video can: save management travel time and expense; allow managers to use their best resource – themselves – to communicate simultaneously with employees throughout the world; accelerate the effective implementation of management's personnel, policy, product, and planning decisions.

Video cassettes have solved continuing education and management development problems of access, time, and expense for many companies in a limited way. Just as with training applications, an on-line resource system for management development could become a practical reality as programming is developed. Numerous off-the-shelf programs have been developed; others are being tailored to specific needs. Collaborations between companies and business schools, technical institutes, and consultants have already demonstrated television's potential for helping managers cope with the knowledge challenges of today's business environment.

The medium's capabilities offer management an opportunity to communicate with employees more intimately and frequently than is currently possible. In employee communication, television can not only cut costs, it can provide impact unmatched by other media. While saving time and cost, a single video cassette can also strike employees as a more immediate, dynamic presentation than the usual speech delivered 26 times to different field locations by a chief executive officer (CEO).

Financial management of television operations within a company is often somewhat primitive. Companies which have been using the medium for several years still are known to pass the video budget from division to division simply because no overall objectives for the system have been formally established. To set television on the right footing, a company should first perform an analysis of existing communications to see what is amenable to treatment by television. Then it should do preliminary programming designed to educate management as to the medium's capabilities. Finally it should gather some practical experience in producing programs. All these steps should take place before a major investment in studio equipment.

For the most part, internal studios have yet to become an efficiently integrated cog in the corporate wheel. In some cases, a company's production facility is thousands of miles from the people who need to use it. The studio gathers dust because managers cannot afford the time to make a trip to the studio. Unless the path of involvement with the medium is carefully charted, hundreds of thousands of dollars can be wasted in the first year.

Although current recognition of increasing internal and external communication demands is widespread, managers have few opportunities to make changes which can extend their abilities as communicators. For companies which must communicate personally over distances, video is a capital expenditure which can increase the operational efficiency of management.

The video cassette is a tool with which management can better cope with its business. Harnessing this tool to the day-to-day practice of management is beginning. If the right answers are found to the questions of how, the medium's place in the office, the conference room, and even the board room will continue to grow in importance.

Some corporations are already realizing cost savings and heightened efficiency through use of television. Many others would do well to consider what benefits they can derive from it.

II
What Is Video For?

Among other things, video is for business communications. A corporate video cassette network gives a company a communications medium which can both cut costs and accomplish projects which would otherwise be impossible.

The Uses of Video

Video is working well for business when it:

- Increases productivity by allowing management to be in more than one place at one time.
- Cuts travel and meeting expenses.
- Reduces management downtime (the most expensive time in your company).
- Promotes uniform understanding of issues, programs, policies, and changes, while helping to accelerate their implementation.
- Reduces repetition.
- Provides uniform quality of teaching, class after class.
- Supersedes repetitive teaching practices.
- Maximizes efficiency of viewer time — the cassette is available when the viewer is.

- Provides on-line knowledge and information retrieval systems.

Television has a built-in feeling of actuality. When the medium is used effectively, nothing stands between viewer and speaker. Consider video's immediate applications for corporations:

One salesman for a company produces the sales to show that he has handled a tough competitive problem. He is the right person to tell other salespeople how to do it. If you take him off the job to be a teacher over and over again, you're cutting in on his selling time. Instead, why not put him on tape? Even the number two salesperson will watch the program with interest – something which doesn't always happen when number one is up on the stage as the expert. The benefits are obvious.

In one international pharmaceutical company, there is wide variety of consumer products and fragmentation into many organizational units. To balance this fragmentation, the board chose to produce a video cassette program which would enunciate the business philosophy for the corporation as a whole. A discussion among the board members explores their understanding of and commitment to the company philosophy. The setting is informal, and the message transmits management's conviction to make that philosophy more pertinent.

A private video network can be used to cross-pollinate corporate resources which are separated by specialized technologies, their languages, and the backgrounds of their personnel. A new development in one department, placed on a video cassette and shown throughout the organization, can turn out to be some other department's missing puzzle piece.

In a national retail store with hundreds of outlets throughout the country, apparel buyers have difficulty maintaining close relationships with all their stores. At the same time, their stores want to do more of their own buying, yet are unable to send their own buyers to New York each season. A video cassette can feature various pieces in each line, showing not only the clothes being modeled – in color – but also the cutting and stitching of the garments. The cassette is distributed with samples of material to all of the stores. The program provides local stores with a better idea of what they are getting, introducing them to new lines and serving as a tool in training future buyers.

One large insurance broker prepared a video cassette as part of a major presentation to a potential client to describe the company's capabilities more completely than would otherwise be physically possible. Principals working on the project presented their particular backgrounds and roles. The client could see the range of management capability – without the boardroom being crowded with a cast of thousands.

While corporate video applications are still in the pioneering stage, much can be learned from the considerable experimentation which has been carried out. For the purposes of this book, we can divide video applications into five major areas:

Employee Communications. Television can transmit messages to the entire company or to lower level employees with both impact and cost savings. Employees are usually more eager for information about the company they work for than managers think; an annual video report to employees on the state of the corporation can do much to promote corporate cohesion.

Management Communications. Video can facilitate management communications in such areas as personnel changes, new product introductions, sales campaigns, marketing strategies, financial planning, conservation programs, customer relations, and business reports. The purpose of these programs is not to state policy, but to help implement it.

Management and Employee Training and Development. Most large corporations sponsor continuing education for their employees. Usually this is no luxury item; there are important objectives which video can fulfill with increased effectiveness, decreased costs, or both. Many companies see training and development programs not only as a technique for making all employees more productive but also as a way of creating a promotable work force and executive pool. When well conducted, such training helps keep technical personnel abreast of the latest developments, reduces the cost of labor turnover, identifies and develops promising new employees.

Marketing Communications. Every company has constituencies of sales people, dealers, and customers to address. In a large insurance company keeping up the morale of a large force of field representatives may be accomplished effectively and economically through video cassettes. Manufacturers of automobiles, heavy equipment, or sensitive electronic hardware can use television to keep independent dealers aware of and excited about new products. Companies marketing consumer goods even use video to speak directly to the customer, through a display on the floor of a department store, showroom, or dealership. Reduction of player size now enables a salesperson to carry a video presentation into a client's office.

Special Message Channels. In addition to the four major areas outlined above, video can be put to work as conduit for special messages. One high-technology company used video to open a communications channel between its research department and the worldwide marketing staff. Through a monthly television program, marketing people are able to keep in touch with current areas of product development. The objective: to improve product awareness among marketing people and to promote their suggestions of innovations which have marketable potential.

What Video Has Done Well for Corporations

There is no single list of cost-effective corporate video applications. Wasteful programming is the usual result of adopting ready-made video solutions to problems which vary widely from company to company, and even from group to group within a single company. Most companies which operate on a scale appropriate for television, however, can cut costs or secure tangible benefits from any of the following program areas:

1. *Employee Communications*

- Recruiting. Video is an excellent way of attracting well qualified people to the organization. A single cassette can present a dynamic, persuasive portrait of the company which can be a part of the recruiter's presentation or which can travel independently through the mail. Many college placement centers are already acquiring video cassette players.
- Orientation. Most established orientation programs are expensive uses of management or supervisory time which yield small motivation returns. Video introductions to the company can provide strong, uniform orientation, communicating not only past achievements, but the challenge of the future to new employees.
- Employee Benefits. Explanation of company plans can be accomplished in an effective, consistent manner, informing the employee about the value of the benefits.
- Compensation. What are the principles? How does the employee know what to expect, to accept? Delineation of the standard policies can prevent major problems from developing.
- Supervisory Qualifications. What is required for an

employee to make this major step up? A clear description of what is expected of the supervisor can help employees, managers, and supervisors.

- Department Orientation. Who is in charge of the operations and what does each person actually do? How are the various units related?
- Career Opportunities. A series of programs can tell the stories of positions available in the company in different business and geographical areas. Employees who see opportunity are the ones who perform.
- Safety. Individual training programs describing safety procedures are essential to every operating group. In addition, the corporation as a whole should have a policy commitment to safety. Top management should make its support clear to managers as well as employees, while recognizing the achievements of various operating units in improving job safety standards.
- Pre-Retirement Counseling. Major life changes trouble most employees. The costs to a company of what disaffected employees can do to the morale of others or to actual operations is immeasurable.
- Quarterly and Annual Reports to Employees. Where is the company going? What is top management doing about problems? What explanation is behind the company's current and projected earnings? What does this all mean – not to the shareholder but to the employee?
- The Annual Shareholders' Meeting. This yearly ritual is an excellent chance to tape top managers who are inaccessible to the average employee. Edited versions of the meetings (unbearably long when not edited) can give employees a rare glimpse into how an important outside group, the shareholders, relate to the company.
- Economic Education. Ad space in various financial publications which tells your colleagues what's right with the system is simply preaching to true believers. The employees are the doubters. Economic literacy can help to defuse many potential issues before they arise. This programming has value both inside and outside U.S. operations and can be a valuable public relations tool.
- Issues Affecting the Company. Employees and managers can be a company's most effective public relations staff. Communicating the impact of legislation can often immobilize this force. Every company which has come under fire publicly has

recognized the sapping of productivity and management strength that ensues. When the company takes a stand, employees should know why so that they can represent the company to the public, their friends and families, and themselves.

2. *Management Communications*

• State of the Company Reports. Securities analysts and shareholders get the benefit of direct address by top management on the company condition. Managers also want to know more. A video cassette can get the message out without putting management on the road making repetitive speeches.

• The Corporate Long Range Plan (LRP). Managers want to feel a part of the company future. They want to know where top management is taking the operation. Most companies would do well to disclose more of the strategy internally. For the most part, the LRP remains a closet item, shrouded in secrecy. The basics of the plan, however, can be communicated to managers (and even employees) in a program which does not jeopardize its confidentiality.

• New Management and Trends. When a chairman takes the wheel of the company, there exists an immediate need to put that person and his ideas in corporate offices worldwide. A video cassette allows a company to see and hear its leadership, relieving the chief executive of the need to clutter his first months with heavy traveling.

• Corporate Services. The corporation makes available to the various operating groups services which are often underutilized. These services are usually represented to the corporation at large by either word of mouth or brochure. A video presentation can provide an immediacy that does not fade with time. One cassette can be keyed with other literature, for example, describing such areas as communications, the legal department, marketing services, and data processing.

• State of the Art Reports. Developments in the various research and development centers outside the company which have impact on the company's business can be communicated directly to management. Reports can also originate with technical centers, universities, institutes, etc. Video coverage can be much faster than print, given the delays in setting articles reviewed and finally published in technical journals.

• Policy. No company needs another policy manual, but video cassettes can be designed to complement the policy manuals and memoranda in a way that improves the speed and consistency of implementation. The individual programs probe the "why" behind the policy, communicate management commitment, and provide an introduction to the policy area for the manager with a limited background.

Even an introductory program can communicate the nuances of complex issues which are extremely difficult to convey through print communication. Each of the following broad policy areas contains a number of individual program topics:

Financial Management
Accounting
Reporting Practices
Inventory Management
Planning and Budgeting
Organizational Planning and Development
External Relationships

3. *Management and Employee Training and Development*

Television is a teaching tool of growing importance to the corporation. Video, in coordination with print material, may well become the preferred medium for the greatest part of corporate education. Companies have demonstrated that with the video cassette effective training and development programs for a worldwide audience can be created economically. The company's expert in a technical area, for example, can create a video cassette which will be available permanently, eliminating the repetitive teaching sessions which fill the calendars of these valuable people. Programs can be developed with other companies, business schools, consultants, outside experts; whole libraries of materials can remain available for long, productive shelf lives. Among the types of programs now being produced are the following:

- Outside Experts. The fees a company pays can often be paid once and the knowledge can be preserved on video tape to be made available worldwide.
- Inside Experts. In most companies the extensive knowledge of diverse managers is underutilized. Many managers would make excellent speakers – except that they are most valuable to the company in other capacities. On video cassette, a manager can make a contribution which can be utilized over a long period of

time, without taking him away from his job for those endless repetitive appearances.

• Crisis Simulation. Video can add an additional dimension to more traditional management development techniques. E.g., crisis simulation, case studies, and other techniques can be both effective and portable via video cassettes. This is a relatively new area.

4. *Employee Training*

At present, this is probably the largest application of video in the corporation. Whole libraries of tapes for training computer personnel have been produced by companies specializing in this field. Other areas of corporate training have been tackled by programs produced specifically for one company's use. We will say least in this book about production of training tapes simply because it is the best understood application.

5. *Division or Group Applications*

The program suggestions thus far have been limited to the corporate level, but many other programs will be appropriate for groups or divisions. Software needs for individual groups depend upon many factors: size, organization, business functions, relationship to corporate (centralized or decentralized), and so on. Common applications include:

Group Orientation
Product Introduction
Group Objectives and Performance
Group Procedures
New Programs
Organization Strategy

A program which cuts costs for one company can be a totally unjustified expense for another. Experimentation has proved the viability, however, of the applications we have mentioned. More applications will be added as managers and producers begin to understand what the medium can accomplish, and what it *cannot.*

What Video Does Not Do Well

Deciding where video cassette television might be beneficial requires a knowledge of what does not work. Why waste time on ideas which have already proved to be failures? If you choose to reinvent the square wheel, the outcome cannot be written off as part of a learning process. Programs are circulated throughout the company and from the first flicker of the screen, establish viewer attitudes about the medium as a whole. Bad programs influence the way viewers regard future programs. Once managers participate in "learning experiments" which are not cost-effective, they are justifiably reluctant to reapproach the medium. (Unsatisfactory experiences may even have repercussions for the manager's career or for the future of television within the company.) Although every video operation has an expected learning curve, getting past the mistakes must happen quickly; a high standard of quality and relevance is essential from the start.

Perhaps the single greatest misuse of the medium stems from what seems a logical application – transferring events from the auditorium onto video cassette. We call this "canning." More and more frequently, video departments are asked to tape speeches, presentations, and meetings which have already been planned. Yet there exists a basic and serious problem: when an event is planned without video production and audience in mind, the final product is likely to have limited communication value. Meetings are an easy way to catch and record management, but this expensive misuse of video usually reduces its value significantly.

Trouble usually begins at the shoot. All too frequently the cameras and lights are moved into place, when the speaker insists that all equipment be placed at the back of the room. Then technical problems arise: a telephoto lens is needed and the final picture will appear unnaturally flat; enough light for effective taping is too intense for an entire uninterrupted speech presentation. In such situations video is and will continue to be an intruder. The problem is fundamental: when video coverage is added on to a program, video has neither a definite audience nor a purpose. The speechmaker will always worry more about appearing comfortable before a large audience than about the image he will project on tape.

Such programs are unlikely to satisfy either the speaker or the intended audience. A manager sees his flattened, shadowy image on the screen captured as he struggles with his material. The cameras record his mistakes, magnifying those which a live audience can either miss or enjoy. Because the meeting is a live event, there is only one take; if a manager mumbles an important remark it remains lost, or worse. Forgotten material remains forgotten. The event wins, he loses. For reasons of self-preservation, he decides never again to be trapped into giving the cameras another chance. Other managers see the tape and tell themselves that they will not make that mistake even once. The disease spreads.

When the live audience is of primary importance, the eventual video audience will almost surely get the feeling they're secondary. When someone produces a canned video cassette and suggests, "Let's send it around," those who finally see it say to themselves, "Why am I watching this? What does this mean to me?" With canned shows, the people who really need to see the program were invited to see it live. But since it was taped, and television somehow implies "broadcast," the tape is sent to everybody – most of whom could care less – and accumulates unfavorable critical reviews.

The pace of a live event is often too slow for television. All too many times no attempt is made to include the video audience by addressing them directly. Viewers sense immediately that they have not been a part of the proceedings. If picture quality is poor and the information is non-functional, what was an entertaining and informative presentation when live becomes boring or even irritating on tape. Video's ability to communicate necessary information to those who need to know is sacrificed on the altar of convenience.

Major problems also occur when television is an afterthought to another project within the company. Newcomers to the medium feel more confident approaching the prospect of a program armed with materials already prepared for another purpose. Like canning, transfers to video tape of slide shows seem to make sense in some situations. Usually, however, television becomes only a carrier, a distribution system. Too little attention is paid to differences between media. Slide shows are excellent for presenting charts, diagrams, and graphs. On video tape, these same graphics may have less effectiveness. The point is not to toss out all such presentations, but to tailor the graphics to the television medium.

A few companies have even used their video systems as if they were tape recorders, recording only the audio portion of video cassettes and then playing back the soundtracks to the visual accompaniment of blank screens. (None of the offices had audio cassette players.) The effect on viewer attitudes and expectations makes this practice a system killer.

Then too, viewer boredom frequently results when video systems are used as public address systems. The squawk box effect – that ubiquitous "Now Hear This" tone of authority – is an immediate turn-off. Orders coming from a face on the boob tube can put viewers on the defensive, raising their shackles.

Lectures can make cost-effective sense, but such programming must be balanced with programs which offer enough variety to maintain viewer interest in the medium itself. Lecture after lecture, unrelieved by more imaginative programming, killed educational television and can do the same to corporate video.

Closely related is the problem of the "talking head" which drones on and on. Corporate producers must offer more in the way of technique than talking heads. If the program is simply a discussion among managers, the producer must acknowledge the fact and work to make the program strong enough to hold audience interest.

How-to programs, although possible, are not always cost-effective in the long run. Television works very well in communicating a few general strategies, but when it comes to depicting the minutiae of a process, TV is often less than adequate. Julia Child's cooking classes on public television stations were wonderful shows, but she had to have six batches of dough in different stages of preparation in order to give the audience the experience of making one loaf of bread. Video imparts knowledge or relates experience better than it relays how-to lessons. It makes most lessons tangible but the details can be enormously expensive in TV time.

One limiting characteristic of the medium is its inability to portray spatial relationships. Depth, size, and direction are not communicated by a video picture. Plant tours on video tape, a frequent suggestion for internal communications, usually give an incomplete if not misleading impression of the actual operation.

Most problems of video application originate with a misunderstanding of what the medium does and does not do well. A logical exploration of communications needs is the first action to be taken by any company considering use of the medium. One short case history is in order, however, to establish the background before examining that analysis. The company is one which never existed, but many of its problems are far from fictional.

III
Noxoleum, Inc.:
A Case History

Step One

This is the story of Noxoleum, a fictional company. As the company grew, so did its communications needs and problems. Noxoleum and its people are caricatures, yet may be familiar to those who work within or try to manage large companies. These problems comprise the backdrop against which video's potential for large organizations can best be seen.

In the beginning, Abel Founder was granted a patent on flexible nozzles. He set up shop with his brother in Fort Wayne, and together they made and sold bendable nozzles. His brother made; he sold.

No communications problem here.

When an order came in for six nozzles, all Abel had to do was shout, "Hey, Cain, make six more," and that would be that. Sometimes, however, the ragtime music from the local bandstand would be a little loud, and Cain would hear 16 instead of six.

In this illustration, Abel is the sender, Cain the receiver, and ragtime music the interference.

The error is not crucial: next month an order from the same customer for another six nozzles was, no doubt, understood, and the surplus absorbed. Besides, the music only interfered with communications for a few months during the summer. But, as the company grew, so did the potential for misunderstanding and interference.

The distances over which messages traveled increased. The channels through which they traveled became more complex. The senders and receivers became more numerous and worked in more varied functions, technologies, and locations. Abel now had a score of people on the payroll, all of whom were transmitting and receiving information. "Six hundred orders for 20 different kinds of nozzles." The potential for error within this system increased dramatically – geometrically, in fact.

The communications problem was further complicated by senders not knowing who or where the receiver was. With each additional level or station through which information passed, the interference doubled and the accuracy decreased.

Noxoleum, like most companies, is organized in the hierarchical manner. It's a good check against error; with a limited number of responsibilities, supervisors can keep track of the people they manage. In the hierarchy, the lower a mistake occurs, the greater the chance that it will be caught.

Sometimes, whether to announce a new product line or to clear up a misunderstanding, Abel called his employees together and addressed them personally. The salespeople received a written report if they had been out of town, but generally all went well.

Soon Abel's speeches were ghosted, tacked up on bulletin boards, or stuck in the house organ "The Spray" for all to contemplate. Not surprisingly, one of his familiar recitations led off each issue.

And yet, while no one was watching, the seeds of trouble were sown.

Step Two

By the time Founder was ready to move into his new status as a corporate chieftain of the regional stock exchange variety, he had overseen many changes in his company. And even though he could spend a fair amount of his time at the club, he was still able to keep an eye on what was happening.

The changes came in several categories.

There were physical changes. The company's operations were no longer contained in one building. The plant remained in Fort Wayne, but the corporate headquarters moved to Chicago.

There were technological changes. Founder's company was much more dependent on telephone communications than it was when Abel could shout to Cain across the hall. Every day, calls and telexes came in for orders, letters went out for appointments, and the telephone wires buzzed every which way when a mistake was made.

There were personnel changes. One hundred thirty-five people were employed at the plant, 40 were running the office, and 25 of Founder's best "finds" were salespeople.

All of these changes were good; they were made to accommodate growth. But notice their secondary effects. The potential for error within this system had increased; the paperwork was everywhere.

Fortunately, most of this potential for error went unrealized. Abel's team grew up with the company and knew what to do, in spite of sometimes garbled instructions. Soon, however, turnover and the need for specialists – engineers, controllers, marketers – changed even this. Then someone sold Abel on getting reorganized and he hired a management consultant to give the company a more efficient structure. More forms, memos, meetings. Abel wondered how they ever got all those nozzles out in the first place.

Step Three

Abel was pleased to see the growth of his company. There were sales offices in all the major markets of the country. The product line was diversified: gone were the days when flexible nozzles were the sole source of revenue. Junior had even acquired a few other companies, a valve company and a compressor manufacturer. The firm now had an international division which didn't pull its own weight yet, but which had potential.

The shop, of course, was unionized. That had to happen.

Although people were performing as well as could be expected, no one could keep up with all the paperwork. Managers needed to get around to explain things to the branches. So they got air travel cards and tripled their yearly travel days.

By and large, however, things were going well. The Chief Executive Officer's staff (he had his own now) was working up a five year plan, calling for further diversification, further decentralization, and further dispersion of company resources.

Meanwhile, the annual report had become a thing of beauty. In one instance it became also a comic example of corporate intention and action being at odds. What had happened with the annual report was this.

The vice-president whose responsibilities included stockholder relations brought a dummy of the report into Abel's office. Abel leafed through the report, nodded and pushed it back. Something was wrong with it, but he couldn't quite decide what that was.

The next day, he happened to be scheduled for lunch with two other vice-presidents.

"You know," said Abel, "the annual report had pictures of flexible nozzles, pictures of the new retractable nozzles, pictures of the new plants and all the new hardware that came with the acquisition of that compressor company. But it didn't have many pictures of people."

It was a casual remark. Six weeks later, 300 photographs arrived in his outer office.

The Grapevine. One vice-president mentioned Abel's remark to one of his managers. The manager, trying to anticipate his superior, hired a photographer to take some pictures of people who worked at the plants he supervised.

Meanwhile, the vice-president's secretary had passed the word on to her friend who worked in the Public Relations division. She told her boss, and PR was mobilized instantly. Photographers were sent out to photograph a score of workers who produced nozzles.

The other vice-president who had been present at that fateful lunch decided to set up a task force to take pictures. A manager in another division, getting wind of this, tried to beat him out by setting up his own units.

All this activity sent the VP who had originally presented the dummy to Abel into a panic, and he had his graphics people pull a batch of people shots from the files and send them on up.

And so on.

Fortunately for everyone concerned, the executive secretary was able to sort things out before Abel saw the stack of almost 300 photographs.

No one was reprimanded; no one was fired. It was a classic case of grapevine distortion. Top management whispers casually into the small end of the megaphone and a garbled message blares from the other end. The organization surges into well-intentioned but misdirected action. Managers are quick to act when they believe they have second guessed their superiors.

By contrast, top management is repeatedly frustrated by the difficulty of getting major new policies or programs implemented. The grapevine usually seems most effective as a conduit for misinformation. The situation affords management no *control* of communications.

Control is not simply maintaining adequate reporting procedures; it is structuring input and output channels, and communicating company plans and objectives.

The real frustration for Abel comes when the very same distortion process goes to work on a complex issue with important subtleties.

Built-In Trouble. Unlike organizations in which decisions are reached through team effort, Noxoleum is a command organization. Grapevines are a kind of guerilla democracy which naturally crop up in an authoritarian structure. In a command organization, the Word comes from the top and goes down. In theory, the Word is the same at the bottom as it is at the top. In theory. But remember the game of telephone.

Why should the Word get trampled and distorted? Think back to the story of the photographs for the annual report. It is a perfect example of miscommunication in a hierarchy. The cause is the structure of the hierarchy itself. As Peter Drucker observes in *The Age of Discontinuity,* a fatal flaw of hierarchies is that individuals feel responsible for their functions in that hierarchy instead of for the good of the corporation as a whole. Job loyalty eclipses company loyalty.

Perhaps only one person was responsible for the pictures in the annual report. *But everyone was trying to second guess the boss.* A simple observation got garbled into a command along the grapevine because everyone wanted to look good in his or her own job. And in a command organization, everyone's job is to act on the Word.

Step Four

From a small Fort Wayne nozzle company has grown NXI, a multinational corporation.

The opportunity was there. Noxoleum's technology and products are needed.

But international business is a brave new world where Abel's often-sung "principles of selling" don't always apply. Abel doesn't always understand his European managers, nor they, him. It's more than language or custom. They do business differently. He adapts and grows his company, but he can't keep treating the international division like a naughty stepchild.

Going International: The Bandwagon Blues. The international division of NXI has been around for a number of years. The operation was originally a small group of overseas sales outlets which furnished products for foreign subsidiaries of U.S. clients. Abel saw the overseas operations as a feather in the corporate cap, and perhaps as an investment in the future.

The division didn't pull its own weight, yet it caused few problems. Demand was predictable and could easily be met through shipments from U.S. plants. For the company's most popular item, the market was virtually without competition.

But, as European markets developed, the U.S. entrepreneur was no longer the only one interested in new market opportunities. A European concern saw opportunity and a plant sprang up almost overnight. Suddenly, NXI's margin had to be reduced to keep prices tolerably competitive.

Abel's international operations were expanding at the same time. Offshore manufacturing had been added in the Middle East, South America, and the Far East. The virtually trouble-free international picture became complicated by seven different sets of operating regulations regarding employees, products, and practices. In two countries Abel was forced to sell 51% ownership to nationals and appoint national directors. He now needed interpreters to convey basic business objectives. Competition became a factor everywhere, sometimes narrowing margins so much that a particular unit's profit or loss was determined simply by currency fluctuations.

Whereas international operations had grown into one giant headache for management, the division had also become a significant part of the earnings picture and could not simply be lopped off, without serious consequences for the company in the capital markets.

Abel realized that operational problems were problems of communication. Communications had once meant the intangible worlds of Advertising/Employee Relations, and now suddenly *communications efficiency or lack of it directly affected operational performance.* He and his managers took to the sky, via jet, in order to turn around the escalation of these problems, believing that communications improvement would mean operating improvement.

Management Goes International. Once upon a time, Abel's vice-president for international operations, having changed planes three times, arrived at his company office in Milan. At first, no one recognized him.

He hadn't grown a beard, he hadn't gone bald. He looked exactly the same as the last time he had visited that office 14 months before, harried by jet lag, harassed by time pressures, anxious to get the major problem out of the way so he could rush home through six time zones. The solution to the mystery was a simple one: the office had undergone a normal 20% turnover in his absence. Many of the people with whom he had worked hard to establish a rapport were no longer there. Several people whom he'd briefed with a battery of letters and reports on the problem as a prelude to his visit were gone.

This was the last of ten stops in his itinerary. He looked doubtfully at all the dollars and time spent trying to straighten out the problem. He had the sinking feeling that within six weeks it would mean another trip. "Good grief," he said, as he loosened his tie, "I am chasing my own tail." As with most over-traveled executives, he began to feel certain that he was going in circles.

Portrait of a Manager. While our manager gets his bearings in Milan, let's take a moment to look at him and think about what has made him a successful manager.

First, he's a great persuader. What he wasn't born with, he learned. In classes and bull sessions at business school, he got better at leading people into his line of analysis, making them see things his way. His forte was small groups. He excelled in groups of three over lunch, or five around a conference table.

Then, as he worked with his company, his perception of situations sharpened and his persuasiveness grew. Send him to the northwest region, let him talk to a plant manager or two, and he could come back to the home office and tell you exactly what was wrong and what was right "out there." It's a hard talent to define: call it intuition, call it experience – our manager has it. Once more he turned the northwest region around. The plant managers saw sense in what he had to say, and in a short time the results showed.

Now, our manager wants to lead his division. He doesn't want to feel that some branch can wander off and waste company resources. He wants to provide stimulus – not response. He's not against branch offices or plants having as much autonomy as they can handle. But autonomy, he knows, can never be total. Somehow it all must work together. Someone must call the shots, and then everyone pulls in the same direction. Teamwork means getting things done quickly.

He has arrived at the Milan office this day to contribute his experience, take a look around, and to nudge everyone in the right direction. He will accomplish something, but to make a real contribution, he knows he should return in a few weeks. His schedule will not permit it.

He knows his skills are needed now more than ever. And that's the terrible thing: he is as effective as he has ever been; his knowledge is as thorough as ever; but recently he has found that he must be in too many places at once. When he doesn't get around often enough, it shows. When he gets around too much, his work at the home office suffers.

Capital Equipment for Management? What are the alternatives open to management for coping with communication demands? What can technology offer the manager?

After all, new technology had increased productivity in many areas of the corporation. Manufacturing with new equipment had accelerated rapidly. Accounting, aided by the computer, was now able to generate more information in less time, with less tedious work than ever before. Automatic copiers, collators, and word processors had transformed secretarial work.

To an extent, technology has helped increase management productivity. The "wires" – telephone and telegraph – speed a manager's words to a larger number of locations than he could ever visit himself. Automatic copiers can bring a manager's directives to everyone's desk in a few hours. To an extent, he can multiply himself. These technologies make modern business possible but they create their own problems.

Next to face-to-face communication, management runs on memos. They have a broad range of both cost and effectiveness. Memos which are periodically issued in slightly altered form and concern a single subject require very little preparation and distribution expense; unfortunately the recurrent memo is largely without impact, attempting like Sisyphus to solve a problem by means which have already failed. The well-crafted, standout, dynamic memo costs considerably more when the cost of craftsmanship is realistically assessed. But on many occasions, even a memo which has been labored over is not enough.

How successful would Knute Rockne have been sending out 11 copies of a memo instructing the team to "Win one for Gipper!"?

When a memo will not do the job, time can be spent on individual letters to the field, but the gains are only marginal when compared to the additional time and cost required.

Picking up the telephone repeatedly to talk to field offices is very often a bigger gamble in the misinformation game than most managers are willing to make.

One answer is to book the corporate jet. It shrinks time and space for the top manager, getting him to more locations faster and more easily than with public transportation or commercial airlines.

There are cost problems, however, with the corporate jet. Perhaps the greatest cost of this type of management is usually not considered in the cost-benefit analysis: the cost to the manager's physical condition. He lags. Obviously, the manager's personal effectiveness is reduced by excessive travel. Secondly, even with the way corporate jet costs are hidden (often with the inventive help of aircraft salespeople), the jet is outrageously expensive. The cost bothers those at the top who are concerned with the bottom line for the company — not simply with their personal budgets.

Between the personal visit and the various print and wire alternatives there lies an enormous gap. The face-to-face communication of the personal visit is the most effective — but very expensive. Memos are cheaper, but don't compare in effectiveness. A wide range of management functions are too important to be left to a memo that might be overlooked or unread, but are not sufficiently crucial to warrant the extreme expense and management downtime of a corporate jet trip. This might be called the management frustration gap; neither alternative seems the best way to tackle these situations.

With the aid of technology, everyone in the company is better able to cope with larger, far flung operations. But what capital equipment can help management?

While our manager is deciding whether to fly overseas, new problems are creeping up on the home front.

Management Climate — Stormy, Whether Abroad or at Home

Crisis is just around the corner for NXI. There are problems of communication with overseas branches, compounded by the American outlook of the key managers. And there are problems in managers' getting their messages through an overly rigid hierarchy. On top of all of this, another communications need is growing in importance: employee communications.

Employeeism. At NXI today, employee-management relations are more important than ever before. Employees are better educated, more curious, and demanding. Their expectations for themselves and their jobs are higher. Blind loyalty and obedience are things of the past.

Employees are taking a greater part in the affairs of their company, and show more interest in deriving satisfaction from their jobs. Federal regulations are a result of changing attitudes.

The Occupational Safety and Health Act (O.S.H.A.) traverses all industries and even has something to say about how many washrooms you must have per employee – it's that detailed. The Employee Retirement Income Security Act (E.R.I.S.A.) sets uniform standards for retirement programs and requires protection for employees against loss of benefits. And let us not forget the Equal Employment Opportunity Commission, whose purview includes promotion as well as hiring.

Besides the need to comply with these regulations, there are, in the long run, many positive reasons for improving employee-management relations – reasons that point to gains in productivity. Ample evidence suggests that NXI is neglecting opportunities for greater cohesion and productivity. For example, most of the employees think primarily in terms of salary when they consider compensation for the work they do, but fully one-third of their compensation is in the form of benefits. Unfortunately, because of faulty communication, most employees do not understand their benefits or how to collect on them. Some don't even know that the company pays for them.

Most employees at NXI would like to feel more a part of the workings of their company, but the NXI house organ "The Spray" does little to give employees a feeling of belonging and it goes largely unread. The house organ reveals few of the "why's" of management thinking.

Recently, NXI closed one of its plants. The result was a wave of rumor, fear, and ill-will. Management had summarily explained the closing in an issue of "The Spray." Two divisions were to be consolidated. When employees worldwide read the article, they wondered about the real health of the business. Was it serious? Were other closings to follow? Why, they asked, hadn't management been more honest about the problems? Meanwhile, management had explained the closing more fully to those who were directly affected. The employees, for the most part, were pleased with the move. They were being transferred to a newly expanded plant several miles away where the facilities were more comfortable and safer.

Management had no idea the rumors were spreading – and in any case, what was it to do? Undertake a tour of the plants worldwide, just to explain a minor consolidation? Abel was eventually alerted to the problem by a junior staffer who had a nose for news. Abel was bewildered.

Management's lack of real control in communication causes problems at all levels of the company. Management's dilemma is in part the result of having no effective, practical means of communicating with all employees. Problems in employee communications don't necessarily have readily apparent symptoms (unless, of course, they result in a strike), but the problems are real. They can be measured in terms of turnover, a lack of cohesion, and underachievement by all personnel.

What Will Continue To Happen

In a small organization, growth is not likely to be impeded by organizational or communications problems. But later:

1. As a company grows and separates into distinct units, the potential for communications errors increases.

2. As these units proliferate and become specialized, they have less in common, especially in language.

3. As advanced technology speeds communication, it heightens noise levels since more messages are transmitted.

4. As people in each unit increase in number, the structure becomes more complex.

5. Management discovers again and again that downward communications can be distorted or entirely defeated.

When top management does not communicate with people in the company, someone or something else does.

These are problems which will not be solved by working harder. Noxoleum, like most corporations today, marshalls less brawn and more information, knowledge, and skills. More and more, the measure of a corporation's productivity can be expressed by the answer to the question, "How well do we bring information to where it is needed both inside and outside the company, and more importantly, how well do we deliver knowledge?"

From his own experience, and that of his managers, Abel realized that his corporation is moving information/knowledge neither efficiently nor effectively. Yet the company depends upon its information/knowledge resources for the edge over other corporations. While the computer has been instrumental in expanding information systems, it has compounded the manager's bewildering, ever-increasing overload. Managers spend mornings tearing their way through printouts, sensing more and more their own inability to cope with the flood of information.

As a company grows more diversified in its products, markets, and management, managers need to expand their personal backgrounds. They need education in new fields and re-education in their own. The problem is that while the manager's need for continuing education is rapidly increasing, it remains very hard, if not impossible, to actually expand a personal background.

Time pressures and geographic dispersion have isolated managers from their employees and consequently employees from their company. The chief executive inhabits a world of private cars, private elevators, private planes, and private dining rooms. There are top executives who fight this isolation, touring halls, eating in the cafeteria, riding the employee elevator; these people, however, are painfully aware of their own separation from the ranks – that's why they go out of their way for employee contact. Management's separation from employees is not a function of management personality or intention – it is a consequence of growth.

The word "communications" has a new meaning for corporate operations. No longer does it refer to the range of the art department's authority – the annual report, the newsletter, and public relations photos. Communications should be the link between a manager's decision and the results that decision is supposed to effect. Communications should be a bridge between employees and their company. Too often today, however, communications is not a bridge but a roadblock.

These are the developments which have given newfound importance to the business of corporate communicating:

Geographic Dispersion
Product and Market Diversification
Technical Specialization
Internationalization
Information Explosion
Democratization
Ongoing Education Demands

For many companies, video offers an opportunity to better meet these challenges. So it came to pass with Abel.

IV
Backwards Into Video:
The Wrong Way

On the way back to headquarters from an overseas trip, Abel struck up a conversation in the first class lounge of a 747 with the chairman of another company. Abel spoke of NXI's experiences and the chairman suggested that a corporate video network was the solution to many problems.

"We put in a studio. I'd be happy to show you around when you drop by."

Abel visited the studio not long afterwards. The equipment was shiny and futuristic. He was able to meet the producers, production managers, directors, engineers, and secretaries who ran the operation.

He was impressed.

So impressed was he that once back at NXI, Abel rang up his public relations man. "Arthur, we need a video studio and network! Get a study together – what it will cost, how the divisions can use TV, what kind of equipment we need, how much time we'll need to build – all that; with your recommendations, of course. Do you think you could get that together in a month?"

Arthur gulped once or twice and said yes. He knew how difficult the assignment could be. He had had some exposure to TV as an advertising medium, and he knew about handling TV for the benefit of the corporate image. But production, electronic equipment, training functions – he was in the dark.

Still, Arthur was a hard charger, so he accepted his limitations and drew up a plan of attack. He interviewed divisional personnel and asked them whether they thought TV would be a useful tool and, if so, what kind of topics they thought they would like to see a corporate network handle. This is where the trouble started.

Reality — real budgets, real needs, real ignorance about how to help management — all went unrecognized. The result of these interviews was the following set of applications:

Arthur's Corporate Applications for Video Cassette Programming

Administration
Description/Update/Clarification of Current Policies, Procedures, Philosophy

Marketing
Product Introduction/Market Surveys for Internal and External Use (e.g., Conferences, Conventions, Trade Shows)

Employee Relations
Plant Tours, General Job Orientation, Benefits, Employee Development/Promotion, Policy Directives or Updates, Procedure Changes, TV Newsletters, Special Training

Corporate Relations (Divisional)
Human Resources: Employment and Promotion, Safety Procedures, Plant Orientation
Administration: Division Reporting Policy
Production: Operating Procedure
Marketing: Product Catalogue, Sales Training
International: Specialized Management Training in Languages, Culture, Business Practices, Job Orientation, Production Procedures, Employee Development, State of the Arts Reports (HQ to Branch; Branch to HQ)

Community Relations
Employee Recruiting, Public Service and Public Image Programming, Political and Press Relations.

Arthur called three companies which specialize in hardware and asked them to bid on facilities designed to provide these programs. When the bids came in, he roughed out a plan for the corporate video budget, based upon a probable capital expenditure of $250,000. According to the bids, Noxoleum would be able to produce all the anticipated programs and then some.

BEWARE!
THIS IS A FALSE BUDGET

Staff Budget		
Department Manager	$24,000	
Production Manager	17,000	
Writer/Producer	17,000	
Director	15,000	
Engineer	14,000	
Additional Freelance Help (camera people)	10,000	
Total Staff Expense		$97,000
Other Expense		
Depreciation (on a $250,000 investment)	$50,000	
Travel	5,000	
Maintenance/Repairs	5,000	
Office Overhead	12,000	
Miscellaneous	11,000	
		$83,000
TOTAL ESTIMATED OPERATING BUDGET		$180,000

Arthur now had the core of his report assembled: the objectives gleaned from his conversations with division managers, the bids solicited from the hardware companies, and the budget (including benefits) for the department. To this he added a few graphs and a flow chart. He submitted the report, nicely bound, of course, to the managers and the Planning and Budget Committee of NXI.

The committee approved the concept, budgeted it at the requested level for the next year, and told Arthur to start hiring a staff and to get involved.

Finding the right people was as much of a headache as Arthur had anticipated. He could find people who knew video equipment and who seemed enamored at the possibility of taking the helm of all that video equipment. This frightened Arthur. None of the video people knew a thing about management. None of his lengthy lunches had produced a Noxoleum manager who would take the risk of running the new operation. Arthur's first choice called the opportunity "somewhat akin to being a U-boat commander."

Arthur settled for someone who knew the basics of television, but had no management background. It became clear that Arthur would have the management responsibility, so he might as well have the direct control.

Though Arthur was anxious to get his studio up and running, he soon found — as have many others — that there would be a five-month delay in equipment delivery. He lost some sleep because of Abel's repeated inquiries about "progress." Abel had made up his mind that management by television would solve a fair portion of Noxoleum's communications problems, if it ever got underway. Why couldn't he deliver his review of the coming year on television? Arthur talked the situation over with his video manager and they decided to produce such a program at a local TV station.

The show was designed by committee. Abel told a staff member to put together a speech about the past year and the year ahead, mentioning competition, safety, currency instability, new personnel, and productivity. The staff member looked over the old speeches, and then talked with assistants to two vice-presidents for other ideas. Within two days he presented a complete text to Abel who revised sections extensively, trying to make it sound more "relaxed." After some reworking, the copy was typed and dispatched to Arthur. Abel's office phoned Arthur and asked for a map to the local television studio. Taping would take place Wednesday morning.

No sleep Tuesday night. Arthur believed his future was hanging in the balance with this first program, yet he wasn't sure whether he had any control over what was going to happen. In the studio all went according to plan. The fifth take of the script was virtually free of stumbles. In the control room the video manager kept close watch on the color, and made a few suggestions to the director. Abel emerged from the studio exhausted from reading the script, watching the camera, emphasizing a point and then stumbling for his place.

The studio manager put titles on the beginning and end of the show and returned it to Abel in several days. Abel asked to view it privately. He winced at seeing himself on the television for the first time, just as most people do when hearing their own voice from a tape recorder. He grew more accustomed to seeing himself and then decided he wasn't bad at all.

Ten minutes into the tape, he thought of the expectations he'd been harboring all these months about the newest management system. Now the doubts started. Whoever tried to manage by giving speeches? His company was staffed with managers, not television personalities.

The program was dispatched and viewed at all locations. Most managers and employees watched with interest at first; the *idea* of internal television initially creates audience interest. Before five minutes were up, most managers in the company who had ever heard Abel speak recognized the familiar material. The television program was just a repetition of material they'd heard previously in small meetings or had read in memoranda. No information or ideas were presented that were "new" to the managerial audience. The employees were interested to hear anything and watched with interest. The managers thought to themselves that the medium might be fine for communicating with employees, but certainly not for management.

Abel silenced his own doubt about the wisdom of the $300,000 already spent by thinking to himself that everyone had a studio. Maybe when the studio was all set up, things would fall into place. For now, he would manage as he always had. So much for the latest toy . . . Two months later Arthur was still hoping that everything could fall into place. The equipment debugging seemed eternal. Maybe things would get rolling soon. . .

The studio wasn't operating till one year from the date the final equipment orders were placed. Next came a series of "learning experiments" in which manager after manager was made to feel like a victimized guinea pig. Very quickly the studio manager learned not to cross these persons; he retreated to a "professional" muteness during all tapings, confining his remarks to strictly technical suggestions, not wanting to risk an argument with a superior.

Managers did not look forward to taping sessions. In fact, the idea of *total* exposure to the corporation in an alien situation was frightening. When in the studio, the combination of the lights, cameras, technicians, and the "suggestions" of the stage manager made people sweat. More than half of the managers thought to themselves afterward, "I'm not supposed to be a speechmaker, I'm a manager." Some resolved not to use television again.

A number of the programs were never distributed. The studio manager felt as if he was trying to negotiate a nuclear arms reduction treaty every time he attempted to get a program released. Managers were upset with the way the programs were completed. Some new scrap of information was called "proprietary" every time the tape was previewed for approval. At the end of year one, Abel thought to himself, "I'm old enough now that I should have thought not to go jumping after the latest thing that comes along."

Arthur was smart enough to recognize that the studio was a cement whale which could take him to the bottom. He asked for only enough money to keep the studio running, producing a number of safe, decorative programs. The high hopes for a space age communication system which could help the corporation meet the challenges of international business vanished. Playback equipment in the field gathered dust.

This scenario is avoidable. Noxoleum's entrance into video was inadequately planned, and yet not atypical. Needless to say, this is the story not only of placing the wrong foot forward, but of running the race over hot coals.

V
Planning For Video:
The Right Way

Starting Out on the Right Foot

The idea for starting a corporate video network can come from anywhere. It can be generated within the organization or it can come from outside consultants. In the case of Noxoleum, it came from a casual in-flight conversation. The important question is this: will the video network have support from top management? In the case of Noxoleum, the momentum of that support carried the medium through all of its subsequent misadventures.

If top management indicates an interest in video at the outset, fine. Implementation has started out on the right foot.

The reason is simple: corporate video is not going to work without the support and *participation* of top management. Video production is by definition highly visible and strikes managers as an expensive proposition whose worth is uncertain. Also, as will be shown in detail later, video programming has many subjective qualities that do not yield easily to cost/benefit analysis. If top management is not involved or interested, video will be a sitting duck for cutbacks in periods of business downturn.

Video has no right to survive if it is not used as an effective communication tool, but video cannot prove its effectiveness without some initial top management support. If the idea for video comes from middle management, some friendly persuasion of the top management will be necessary.

But no matter what the origin of the concept, it must be supported by 1) an analysis of the company's particular communications situation, 2) a meaningful set of program objectives, and 3) a complete understanding of the cost/benefit component of video communication. This means demonstrating that video is not just a frill, but a necessity for the over-extended manager.

First Things First

The method by which Arthur drew up his list of objectives in our model of how *not* to start a video department was haphazard and uninformed.

Neither Arthur nor the divisional people with whom he talked had any specific experience in video communications. If a top manager had needed a feasibility study on the production of a new nozzle for the oil industry, he or she would have expected a high level of expertise from the assigned project team. But no such expertise was expected from Arthur.

Inexplicably, many managers assume that corporate television production is so simple that a person with an active intelligence and a modicum of common sense should be able to ask the right questions and formulate what is required. Even managers who are aware of the complexity of effective video can fall into the trap of thinking, "Well, we're really only investigating a possibility at this point; once we get further into production, we can hire a few experts to get us onto the right track." There would be nothing wrong with such a thought if Arthur's report were to be discarded the moment the idea of a corporate video network was approved. Then, a realistic analysis of needs could be made. But, it usually happens that initial analysis – tentative, uninformed, and incomplete though it may be – forms the basis for the direction of all future operations.

In the case of video, the words "needs analysis" have come to mean everything and nothing, referring simultaneously to operational communications requirements, television hardware, and the many types of available video software.

No one needs a studio before he knows what problems exist that can be solved cost-effectively with the use of video. He must also be convinced that an internal studio is the most cost-effective way to produce the required material.

Implementation of video logically follows four stages. After each stage, a company can reconsider – and discontinue its involvement before proceeding further. The objective of the process is clearly to purchase *exactly* what is needed to provide actual cost-effective results. The four stages are:

1. *Exploration*

   Isolating problems and worthwhile video projects
   Initial program recommendations, if any

2. *Preliminary programming*

   Cost-benefit analysis
   Management education
   Out of house production

3. *Development of programming*

   Ongoing applications assessment
   Distribution network; buy/rent decision
   Internal advocate

4. *On-line service*

   Editing buy/rent decision
   Production buy/rent decision

We will consider each of these steps in turn.

Exploration: Potentially Worthwhile Video Projects

The first thing to do in performing a needs analysis is to identify all the major areas within the company where communication could be breaking down.

Within the categories mentioned earlier (e.g., management communications, employee communications) any of the following may prove to be problem areas:

- Morale and motivation
- Decision implementation time
- Decision implementation uniformity
- Response to organization changes
- Access to information
- Management identity and identifiability

The following questions can help you get closer to problems that video can help solve:

- Do all managers and employees know what they should know about the company's basic policies?
- Equally important, do managers and employees understand the "why's" of policies?
- Is there a general understanding of the purpose and value of all products and services?
- Are top managers seldom seen or even "invisible" figureheads?
- Are there managers whose schedules are saturated with travel?
- Have all major decisions (for example, the relocation of corporate offices) been explained to managers and employees?
- Are multiple memos, meetings, phone calls all covering the same subject?
- Are too many decisions being forced upward to managers because not enough information/knowledge is being fed down to individuals at a lower level who could be making those decisions?
- Is the company losing technical or leadtime advantages because the experts' knowledge is not being fully employed?
- Are the "stars" (technical experts, salespeople, economists, etc.) over-booked with repetitive presentations?
- Can marketing strategies be implemented faster or with greater uniformity?
- Do salespeople feel remote from what's happening in the company?
- Is there counterproductive competition between departments?
- Is there any legislation which needs to be explained to company members?
- Do all employees understand the provisions of the company's benefits programs and retirement plans?
- Are issues such as equal opportunity and women's rights being dealt with satisfactorily?
- Are there employees who cannot get the training from which they and the company could profit?

Consider these questions yourself. Develop a more specific questionnaire for management and one for employees. Test it with managers and employees you know. Circulate a modified questionnaire.

The questionnaire is one part of the canvassing process that must begin within the corporation. The extent of the canvass will of course vary according to the size of the company, how many divisions it has, how dispersed are its plants and offices, and how diverse its products. The canvass need not include everybody; it can be no more than a sample. But the sample should include representatives from all levels of employment – the elevator operators as well as the CEO.

Remember, this is a preliminary assessment. Most managers don't know yet what video can do for them, but the process of identifying potential applications must begin somewhere.

If possible, some initial programs should deal with specific operational problems rather than more routine "corporate communications" functions. Be certain to approach individual operating units, rather than dealing only with corporate problems. In many companies, an individual group has far greater video needs than does corporate.

Also investigate the company's various training programs. Initial programming should very likely include one production which can demonstrate the cost and uniformity benefits of video cassettes. Real research into training programs which extend beyond present scope shouldn't be attempted at this point, but it is important to begin talking to the training director(s).

Once the questionnaires have been completed and other opinions gathered, you can divide potential applications into corporate and divisional. In other words, does a particular problem permeate the entire corporation, or is it related only to the welding plant in Austin? Be careful not to confuse a corporate-wide problem with a problem that affects only the "corporate" top management, that is, the chairman, the president, and their staffs.

Divide the entire list of potential applications into the following five categories mentioned earlier and which will appear again and again throughout this book. The categories are:

1. Employee communications
2. Management communications
3. Management and employee development
4. Marketing communications
5. Special message channels

The categories will help balance initial programming and provide the best testing of the medium's potential within the company.

2. Establishment of Preliminary Programming Objectives

Too much thinking about video follows the line of "Let's make a show." Or: "What could make a good show?" These are the wrong questions to be asking. Instead, think: "What should be the result of this show?" Or: "What do I want to accomplish with it?"

In an ideal world, the objective would be to solve all the problems that have been isolated in the previous system needs analysis. But cost-effectiveness must be considered. Therefore, some internal system for the establishment of priorities must be arrived at for the system. What is the system to accomplish first? Initial programming has two functions:

- To serve a cost-effective communication function
- To provide management with a better understanding of the medium's capabilities, allowing it to better assess potential applications.

Programs can be justified if they fulfill either of these two functions, but it should be possible to select programs which accomplish both.

In this initial implementation period, the logical place to produce programs is out of house. This enables you to assess their value before investing hard cash in your own facilities.

Is It Worth Doing? Program Cost-Benefit Considerations

A program must have a hypothesis of value. What will it accomplish?

For example, quality control is suffering in a particular product line, creating serious problems with large customers, as well as increased costs of replacing inferior products. A video program can be distributed to ten quality control managers. Hypothesis: the program can improve quality control, saving direct costs and strengthening weakened client relationships. This is a general statement of the program's value. We might also estimate its value in comparison with alternatives.

Cost-benefit relationships are fundamentally similar for all expenditures, whether they be an automobile or a corporate television program:

1. Assess the benefit
2. Determine the cost
3. Judge benefit versus cost

The tough part of the process with a television program is in quantitatively establishing the benefit. Costs are easily estimated with accuracy once a general idea of the program concept is formulated (see p. 74). What follows are a number of ways of quantifying program value.

Although different programs require different types of benefit analysis, one principle is essentially constant for corporate video: If savings (relative to current practice or alternatives other than video) can be demonstrated, improved effectiveness need not be proven. Where savings cannot be demonstrated, effectiveness must be the goal. Because proving effectiveness is often elusive, demonstrating savings is the most feasible way of assessing the cost-benefit of programs.

With this in mind, we can explore ways that these savings can be estimated.

Hidden Video Value: Hidden Communication Costs

Many of the costs which can be reduced with video are hidden. Managers, engrossed in their daily tasks, sometimes look up and realize that most of their time is occupied in communications. They are either communicating with others, or they are on the receiving end of memos, letters, cables, or conversations. All managers know that to keep things moving, they have to communicate, but they forget that every type of communication costs money.

The secretaries in the outside office are communicators. Their cost is seldom regarded as a cost of management communications, yet their job is typing, copying letters, placing calls, and scheduling meetings – communicating.

Some managers spend hours at a meeting to pick up a few small scraps of useful information. Their time is a cost of communication. The copier, the typewriter, the telephone, the Telex, brochures, and agendas – in fact, almost all the costs one can associate with operating as a manager (those general and administrative charges) – are related to communications. They are the cost of communicating what a manager wants done or of getting what he or she has to know. These are the hidden costs of communication. They are difficult to measure.

The value of a video program may be hidden amongst these costs of alternate communication, but an effort must be made to quantify those costs. Naturally it's difficult to ascribe dollar benefits to communications items; every communications executive has tried repeatedly to scale this wall. Nevertheless, another assault must be made. Most companies today are still living with tightened belts and budgets. For them, what cannot be quantified cannot be justified. With this in mind, we will examine some typical value assessments for program ideas, judging the estimated value with respect to the expected costs.

Alternate Cost Comparison

Let's say, for example, that one division leader presents his quarterly report to 20 locations via video cassette. The perceived (most easily measured) value in terms of savings (if any) is determined by comparing alternate costs.

Travel Costs: Division President and Staff Assistant
20 locations: 16 domestic; 4 international
14 days

airfare: $2000 x 2	= $4000
hotel: $30 x 14 = $420 x 2 people	= $840
meals: $50 x 14	= $700
add. transportation: $30 x 14	= $420
Total travel costs	$5960

To these perceived alternate costs we must add the cost of the management time involved in such an expedition. (Although opportunity cost is significantly higher than salary, there are direct, observable costs.)

President @ $100,000/year = $400/day x 14 days	= $5600
+ preparation time 3 days	= 1200
Assistant @ $20,000 = $80/day x 14 days	= 1120
+ preparation time 5 days	= 400
Total executive time	$8320

We have estimated alternate costs conservatively totaling $14,280. To the dollars of alternate cost we must add the other benefits of a video cassette presentation of this material:

- The physical well-being of the managers
- The total opportunity cost to the company of taking this manager out of commission for two weeks
- Scheduling flexibility: people in plants can view presentation when work schedules permit, eliminating the need to effectively shut down as the president's itinerary dictates
- A permanent record: available for review (this can sometimes

save a second trip) or for briefing of new personnel. People will watch or review a cassette, but seldom will they read a speech. The tape is made for their use, a speech for someone else's.

We can summarize the value of the video cassette program (not the cost) as follows:

Value

COSTS OF ALTERNATE MEANS		OTHER BENEFITS OF VIDEO
Travel & Expenses	$5960	Reduced management downtime
Management Cost	8320	Flexible presentation schedule
Total	$14,280	Permanent record

Simplistically in this case, value of the video program = cost of alternate means + other benefits.

Against the value of the program, we must place the cost. This is a matter of securing bids for the particular type of program necessary to deliver an effective quarterly report. Any cost up to $14,000 (production and distribution) is immediately justifiable on a cost-benefit basis. Considering the actual opportunity cost of two weeks of top management downtime, a video presentation costing as much as $14,000, (though it could easily cost far less) can actually provide the company with *significant savings*.

Such a comparison of the costs of alternate means is predicated upon the idea that a video presentation is comparable to the usual speech delivered by the president on such occasion. Judging whether the video presentation does the job can only be done by evaluating the completed program. (Chapter VIII) It is true that questions can be answered only via telephone or letter when a tape is shown. However, a tape has the advantage of uniform immediacy and presence of delivery at every location – something seldom realized except by professional speakers. Most importantly, the costs are comparable because each means of communications can do the job. If a manager needs a heart to heart talk with six of 14 locations, he should fly to those six and not waste time repeating a staff member's speech.

Comparison of alternate costs can often be meaningful when carried out on a "cost per office" or "cost per person" basis. For example, a single video program expenditure can deliver a technical expert to worldwide offices of a company. Such a program would be considered too expensive to be conducted as a traveling lecture series – the cost per office (including travel expenses) for such specialists can be above $1500. Assuming that a company has 20 locations which can profit from the presentation of this person, the cost per location can compare favorably – $500 per office if the program production costs are $10,000. With more locations, the video cassette cost per office drops, whereas the cost of a traveling lecturer grows more impractical.

"Cost per person" is a standard measure for training programs. Most existing teaching programs with "live" teachers have been justified by a per person cost. Where a video tape can handle the teaching without assistance of other media or teaching specialists, clear cost savings on a per person basis can usually be demonstrated. The advantages of uniformity, and continued availability are further arguments for the cassette.

The video cassette can become part of a training function, working in tandem with print material or serving to aid the teacher. Here the cost justification becomes more complex, depending upon the degree of effectiveness rather than simply upon whether or not it does the job. Such a determination must be made by experts in the training department. Recall the basic principle: Where savings cannot be demonstrated, the goal must be effectiveness.

When programs are justified on the "per viewer" cost basis, it must be remembered that meaningful programming for a few members of the upper levels of the company can be worth more (and hence be justified at a higher per viewer cost) than programs reaching a large audience at a lower level.

Cost of Not Producing A Program

No single cost-benefit procedure can be applied meaningfully to all video program ideas. Alternate cost comparisons become more difficult with programs which tackle new problems or old problems in new ways.

For example, a program was proposed which would present the views of women within a company on a number of personnel issues. The audience: top management. A moderated discussion among the women would, after being approved by the participants, be delivered to the president. Such a candid presentation of internal viewpoints *could be delivered no other way*; a video tape afforded a unique opportunity.

Such an expenditure cannot be justified with alternate costs – no meaningful standard exists. Providing dollar support for what intuitively seems worthwhile can be a question of estimating the kinds of costs which could potentially result from *not* producing the program. Research can determine that the company does have problems of morale, personnel underutilization, and even regulatory compliance. Any of these areas could cost the company substantial sums.

In the case of the women's program, we must first ask, "Can the program be expected to have an impact upon personnel practices regarding women?" The premise is that a thoughtful, candid, and immediate presentation to top management of the views of women who are a part of and care about the company can have an impact on management. Changing management attitudes is the first step in changing policy.

This premise accepted, what are the costs the company is experiencing or risking by maintaining the status quo, i.e., by *not* producing the program? Essentially they are:

- Underutilization of 40% of the workforce
- Risk of class action suits

Do these potential costs warrant a $10,000 expenditure which could have dramatic impact? This decision is clearly one which cannot be assessed independently of other factors such as budget, management acceptance of the medium, the availability of effective spokeswomen, and others. In this case the decision was made to proceed. The result: within 24 hours of rolling the cassette player into the president's office, significant policy directives came rolling out.

Effectiveness of Management Communications

Where current problems are widely recognized, the cost justification of the program can be based upon an estimate of the value of eliminating the problems. If successful, the video cassette has a value equal to the costs associated with the problem. Usually, however, this is a complicated proposition. For example, if a video cassette program can implement policy more effectively than other communication alternatives – what is it worth to the company?

Often, more effective implementation has real dollar payoffs which can justify the expenditure on a program. The justification for the program can often piggyback the proposal for the policy itself. A marketing policy, for example, often involves a statement of the financial impact of the new policy upon the company.

Establishing effectiveness is no simple process of addition, yet can be weighed in terms of the importance of the policy and the potential contribution a video tape can make, value versus cost. This is a matter of judgment. Clearly, showing savings is the easier route to follow, wherever possible.

An additional cost-benefit consideration is the shelf-life of the program. By cutting per viewer costs, longer shelf-life can multiply return. The expected longevity of a program can often be extended during the design stage.

Some situations, particularly competitive ones, provide justification for a video program simply on the basis of its speed. Often, a widely dispersed company finds that no other communications medium can transmit complex messages with the dependable uniformity and speed of the cassette. In these situations, a program needs no further justification. The only alternative is the emergency regional meeting which is conducted at significant direct and opportunity cost. The video cassette's advantages have made its use routine in responding to fast-breaking competitive pressures. Opening of the telephone lines to those who can supply further information is often all that's needed to supplement the tape presentation.

Program Cost Benefit: Conclusion

Program cost-benefit analysis is a mixed bag because the results achieved by the medium vary so widely. As with all projects which must demonstrate their worth in order to secure a budget, programs whose impact can be measured must have priority. What is measurable is justifiable, what is justifiable is good practice. The power of the medium to build organizational cohesion, job interest, a readiness to learn, sensitivity to new problem areas, is enormous; putting that impact into numbers, however, is a very difficult task. For that reason, implementing video must begin with programming which can demonstrate *savings* – making video actually a profit center. From a demonstrated profit position, such departments are in a better position to exploit some of the medium's strongest yet less measurable capabilities. For a company beginning with video, the question to ask about potential programs is, "Does it have measurable results?"

Initial Programming Recommendations

Cost benefit analysis of potential programs is essential in launching a company's involvement with the video medium. Initial programs should also serve to open management's eyes to the medium's capabilities. For this reason, initial programming should expose management in all areas of the company to the uses of video. A variety of programs should be produced, demonstrating a number of applications: training, management communications, employee communications. The selection of preliminary programming is good if it meets all of the following criteria:

- Cost-effectiveness
- Breadth of exposure to management (of the group of programs, not necessarily of any single program)
- Variety in applications

Programs with these characteristics enable a company to evaluate its future involvement in the medium realistically. They educate management in its uses while providing a positive impact upon company operations.

3. Build Effective Programming: Ongoing Assessment

Based upon the results of this first phase, preliminary programs are evaluated individually and are discontinued, modified, expanded, or simply repeated (Later sections of this book detail production and feedback.) These programs enable a company to assess relative value of the programming recommendations indentified in the needs analysis. Any company can have special situations in which a programming suggestion only appears to be cost-effective. First assess what you've done. Expand only when warranted by experience.

During this period video must build a constituency. Various operating areas must learn when to use the medium. We have spoken earlier of budget vulnerability; video needs positive support from operating people. Corporations are already experimenting with a chargeback arrangement to operating units for programs they initiate. Such a system makes enormous sense, but operating people will have to be better educated as to video's capabilities before they will pay for it out of their budgets. Even though top management may be committed, it is essential at this point to attract supporters among both staff and line management. This will not only prevent crippling cutbacks in times of business downturn, but will be invaluable in countless aspects of internal video production.

To begin establishing an internal constituency, define it. Compile a profile identifying by name, area of corporate responsibility, interest, or need, video's supporters, non-supporters, potential supporters, and those of unknown persuasion.

The primary constituency is comprised of the executive office (perhaps already in the camp), the corporate staff, the division and group management, as well as the executive committee or task force. The secondary constituency should include the board, the line managers, employees, and shareholders.

Once the constituency is identified, go about establishing a secure foundation for video in the corporation. Prepare a concise analysis of the medium's capabilities and its potential relationship to the company. The management summary contained in this book should be helpful. Prepare versions of various lengths, a basic report, and shorter summaries for those who request them.

The importance of defining a constituency is clear the first time those responsible for television try to secure a *new* capital budget. During this preliminary stage, the only capital expenditure which should be weighed is that of a distribution system — a video cassette player network. Players can be rented but the relatively high cost of renting such equipment usually argues for purchase almost immediately. Though prices will change, the basic buy/rent parameters will continue:

Rental: 3/4-inch player* plus color receiver (minimum period)

DOMESTIC	ROUGH AVERAGE
Major Cities	$75 – $100 – $140
More Rural Areas	$100 – $150 – $300
INTERNATIONAL	
Major Cities	$150 – $280
More Rural Areas	$250 – $500

*Based upon prices for one particular brand. Prices for other brands vary, but not sufficiently to affect calculations.

Purchase: 3/4-inch player* (color)		
	List price range	$1200 – $1600
	Color television set	$300 – $600
(Quantity discounts of up to 30% are available.)		
	TOTALS	$1500 – $2200

*Based upon prices for one particular brand. Prices for other brands vary, but not sufficiently to affect calculations.

Obtain estimates for both purchase and rental. The breakeven point will depend principally on the number of times that a company would have to rent players in the course of a year. Many companies amortize their investment in players over a very short time – three or five years – to allow for obsolescence of equipment as new technology becomes available. A three-year amortization schedule would mean annual equipment costs per location of roughly $500 to $600. Thus, each location can rent players for up to six showings for less than the cost of purchase. Anything more than six programs a year will probably justify purchase from the beginning.

Various American hotel and motel/inn chains are currently placing video cassette players in their units domestically and (on a limited but increasing basis) internationally. Although these units will make it possible to rent players in previously unserviced areas and will bring rental costs down in others, availability in a hotel is often no substitute for availability in the office.

Out-of-house production and editing continue to make sense during this phase, until the cost-benefit analysis of equipment ownership proves the worth of the expenditure. If you are tempted to jump the gun, remember, when equipment is purchased, staff and operating expenses soar. In most cases, annual amortization of studio equipment amounts to less than either staff or operations costs. (See Chapter VI.) The wisest equipment purchases are made by companies with considerable experience in the medium.

During the out-of-house period, however, thought should be given to an internal staff. Usually, whoever initiates video ends up as a sort of ombudsman, responsible for the overall program and for the thousand loose details which surround a production. Since management is still unfamiliar with the entire production process, this job can quickly grow into a thankless monster. During this period, a video coordinator/advocate/producer should be found. This is the person who must carry forward the process of assessing communications needs, staff, and equipment requirements. Depending upon qualifications, benefits, company scale, etc., this person may earn anywhere from $18,000 to $30,000.

Many companies have chosen studio managers from the photography or art department. But management capability is at least as important as familiarity with video and other communications media. For this reason, the outside video expert who has not worked with management may be the wrong person for the job. Unfortunately, the person with both a basic management understanding and video know-how is currently quite rare. The expansion of the field, however, is slowly creating a pool of individuals with the right experience. Whatever the strengths and weaknesses of the person who fills the job of video producer, he or she will require close supervision in the early days of a television department.

The right people are more important to the success of the video installation than the right equipment, so the basic principle is to build staff before building studios. At some point in a company's needs analysis, however, consideration of major equipment purchase is appropriate. The next chapter will deal with this consideration.

VI
Assembling The Studio

The purchase of capital equipment for television production is similar to a make/buy decision in manufacturing. The key in the case of video is anticipated programming volume. As video becomes a routine, integral part of company operations, programming volume can increase sufficiently to warrant internal editing and production facilities. But this is true only when a realistic projection of programming indicates that *total* per-program average cost can be reduced through ownership of equipment.

Underscore total because video costs on a per-program basis are seldom computed once an internal facility is purchased. Miscellaneous per-program costs are quoted, while staff and office overhead, depreciation, and contribution to total company overhead (space, electricity, air conditioning, for example) are never mentioned. Rather than elaborate on the obvious mechanics of a facilities buy/make comparison, it is worthwhile to dwell upon the problems which usually compromise the reliability of the preliminary studies, leading the company into a less-than-optimum expenditure (if not outright waste). The magic of hiding internal costs can perpetuate a bad idea for a while, but companies have managers whose business is controlling costs and the axe eventually does fall. After examining these problems of estimation, we will then project a five-year budget for an internal facility.

Judging Facility Requirements: Buy or Make

Problems occur in determining three basic items:

- Future programming volume (with accuracy)

- Which particular kinds of equipment are actually needed in which locations
- Operating budget, including variable program costs

What is not hard is determining how much various pieces of hardware cost. No one makes serious errors here. Any salesperson will be glad to help you with this part of the problem. The other areas require your research, time, and judgment.

Anticipated Program Volume

If you are observing the four stage implementation program, the problem here is deciding just how many more programs will be cost-effective if the average per program cost is brought down substantially with in-house facilities. The temptation is to assume that with a studio, per program costs will be so low that the medium suddenly will become cost-effective for several times the number of programs which are justified when out of house services are used. The hard fact is that this is not true.

Internal facilities in most cases do not bring total per-program costs down sufficiently to justify a substantially larger number of programs.

Regardless of cost, a given division within the company has a saturation level in terms of the number of programs with which it is willing to be involved. The ongoing needs analysis provides a fair indication of this upward limit. Frequently, additional projects could be produced if costs are brought down to projected levels; these programs may be counted as part of anticipated demand. It is true that people do suggest programs somewhat more readily when they know that a studio is available, but not that many.

Projecting future volume is a matter of judgment. How speculative are you? Inflating current demand significantly is a dangerous game. If you actually will produce 200 programs, your dollar savings with in-house capability can be enormous. Suppose, however, that the other programs do not materialize: the per-program cost will be significantly higher — perhaps even higher than out of house costs.

According to a Knowledge Industry Publications study in 1974, nearly one third of the corporate studios in America produce less than five programs a year. Take your annual costs and divide them by the smallest number of programs which might be produced in a year: the costs can be frightening. Count on:

- The programs currently produced which are justified as cost-effective
- Additional backlogged or untried programs which have clear cost-effectiveness
- Some small (10%-25%) increase in volume resulting from the internal facility

Use this number as your projected annual production volume.

To count on more programs than this is to take a gamble. Again, it's a matter of judgment. Beware.

What Equipment Where?

Where do you need facilities? Many companies have centralized their video production equipment, hoping to cut costs. Yet an individual operating group, with a headquarters hundreds or thousands of miles away from corporate, often has as much or more need for a studio as does corporate. Travel time and expense of the principals often make use of video marginal in such situations. Hardware people frequently suggest a full studio set-up (three cameras, switcher, two VTRs, film chain, mixer, etc.) for corporate. A few black and white cameras are supposed to suffice for the operating groups, even though everyone talks about "two-way communications." The fact is, operating groups care about production quality just as much as does corporate.

Second class equipment is put into the closet or used only for role playing. At some later date the operating group decides to go ahead and purchase its own equipment. Then another group follows suit and this begins the process of studio proliferation. The corporate studio is used less and less: its per program cost skyrockets, but nothing can be done because the equipment is on the premises and paid for. The obsolescence factor makes television equipment depreciate very quickly in terms of resale value. What you purchase is yours: be sure you need it.

Another seldom anticipated problem is the limitation of studio production. After a few months of in-the-studio productions, the producers, participants, and the audience get tired of being studio bound. Money is spent on all kinds of props – false wood paneling, brick paneling, furniture, different potted plants, pictures, more paneling. This is a losing game. (More on this in Chapter VII.) Both viewership and the volume of programming drop off as time goes on. One facilities alternative remains, and is to our knowledge, largely untried.

A mobile video production truck may be the answer for many companies. Not only can a truck handle the production requirements of a number of corporate locations but the equipment itself is truly portable. A truck can roll up to corporate headquarters and cables can be fed directly into the top floor offices. A truck affords the flexibility to produce not only at the studio, but at different company settings, adding variety and vitality to the productions. Most companies of sufficient size to consider video use have a wealth of interesting locations for programs: research laboratories, board rooms, manufacturing facilities.

A single truck can make a cyclical tour of the various company business centers. An advance crew can have the productions already planned, approved, and ready for taping. The truck visits the location for a week; the crew produces programs quickly, efficiently. Editing can be carried out at night, on weekends, or at a separate editing facility. Such a procedure is a way for the actual equipment investment to be effectively levered, as well as to provide greater programming flexibility. Consider a truck.

In-House Editing

In some cases, an excellent case can be made for purchase of editing capability before production equipment. Most management programs require more editing than studio production time. (See Editing, Chapter VIII.) For this reason, many studios are forever tied up with editing, shutting down their production capability or keeping them from meeting a completion deadline because top management has an emergency taping request. In chemistry, editing would be called the "rate determining step" of the production process.

While you are still using out of house facilities, a significant portion of your supplier's time and/or money is being spent on editing. What's more, the editing process is the stage of production in which those closest to the program's business objective must have their input if the show is to be effective. Moving the editing process at least partially in house can boost the show quality while actually cutting costs.

Remember. Consider a truck for cost-effective, flexible productions. Consider an initial investment in editing capability, since lack of editing equipment is often a bottleneck.

Obsolescence of Equipment

The purchase of equipment must be considered with an understanding of the obsolescence factor. The field is one of rapidly developing technology. Many companies with 1-inch studios believed they were getting the best of both quality and cost, yet now find some 2-inch production equipment not significantly more expensive and greatly improved in quality. Television equipment is costly, and unlike the data processing field, manufacturers don't offer rental or lease-purchase agreements. Various arrangements can be made with third parties, however, who will finance long term (usually three years or more) rentals or purchases.

Deciding what equipment will actually meet the needs of your company is possible only when you know how many programs of various kinds can be expected to require production in which particular locations. Where will the bottlenecks occur? These are the questions which only careful software needs analysis and experience can answer. The time and money which are spent during this assessment period are necessary to insure the proper allocation of funds. Many companies are far down the road with equipment that does not suit them, yet are tied to a decision which was made before anyone within the company actually had any idea of what would be needed. Be prepared to specify the equipment you need, rather than to select a particular "bargain package" which appears more attractive than the bargains offered by other salespeople. The capital commitment can kill video at a company – and the staff with it.

Operating Budget: Be Realistic

At Noxoleum, Arthur's initial staff budget for the first year was reasonable on paper. In five years, however, salaries and head count must grow. It is reasonable to assume that a combination of raises and benefits increases will boost everyone's cost at the company at least 7% per year. As the staff grows, additional secretarial help will be needed.

A common error is to underestimate the salary of the chief engineer. In New York $25,000 is not an unreasonable salary for this job. It's a key position in protecting the company's investment.

Looking more closely at Arthur's "Other Expenses" projection, his estimate of Maintenance/Repairs is dangerously low. In the first years of operation, the maintenance budget should be between 4% and 6% of the initial capital investment. The entire "Other Expenses" category should include an annual inflationary increase.

Another item is missing from Arthur's budget. He has budgeted only fixed expenses without including variable cost. One of the reasons for this mistake was that Arthur never considered the number of programs to be produced when he was writing up his objectives. Elements of variable cost include video tape stock, graphics, duplication, the travel and miscellaneous expenses incurred during productions, and the salaries of the cameramen and lighting personnel who will have to be hired on a freelance basis if they are not on staff. Variable costs must be considered, even if only in the roughest kind of estimate. The bottom line figure in the following sample estimate may not be exactly correct for your situation, but it's a fair approximation of the kinds of costs of internal production at various levels of programming volume.

A Five Year Operating Budget

This is by no means a firm budget. Everything we have said about video implementation has emphasized the differences between companies. Arriving at figures of how much it will cost to produce programs in five years without a close analysis of company communication requirements, locations, salary scales, talent availability is clearly not the way to consider purchase of a studio. But when the time comes to ask, "What would happen if . . .?", the following may be very helpful. The idea of this "budget" is to show the various costs of production which are not "relatively constant" after the studio has been purchased.

We have been conservative in estimating. The studio is stipulated as 2-inch at a cost of $250,000. This number could easily be several times this amount; whether using 2-inch or another format, if a company has a legitimate need for internal facilities it is unlikely that a company can put together a studio which can handle the majority of its needs and which costs less than $250,000.

One important aspect of the following numbers is the relatively small role played by studio purchase in the overall department budget. Production and staff costs soar as program volume increases.

We have included no charges for studio or office space. In many cases, this number represents 10% of total expenditures. We have not included discounts on supplies which are available through quantity purchase, but we have also assumed that hiring salaries will not change significantly in five years.

Again, do not regard this as a report on "The Cost of Internal Television Production." The right numbers for each corporation will depend on its particular staff, production, and department needs.

Year I

Assumptions:

A. 20 programs will be produced by outside suppliers at an average cost of $12,000 per program, including cassettes, duplication and mailing.

B. 30 video cassette players, television receivers, and carts will be purchased and distributed at an estimated cost of $2,200 per; amortization is over 3 years.

C. The project will be supervised by a video manager and a secretary.

Year I Budget

Staff Salary	
Video Manager	$24,000
Secretary	8,000
Total Salary	32,000
Benefits (25%)	8,000
TOTAL STAFF BUDGET	$40,000
Other Expenses:	
Program Production	$240,000
Player/Monitor Amortization	22,000
Travel	5,000
Office Expense	10,000
Miscellaneous	7,000
TOTAL OTHER EXPENSES	$284,000
TOTAL YEAR ONE BUDGET	$324,000

Year II

Assumptions:

A. Build 2-inch color studio. Depreciate straight line over five years. Produce 20 programs in studio.

B. While studio is being built, 10 programs purchased out-of-house at $13,200 each (10% increase over Year I).

C. 20 more video cassette players and monitors purchased at $2,420 each (10% increase over Year I). Company network totals 50 players. Same amortization schedule.

D. Following staff are added: production manager/director at $17,000; writer/producer at $17,000; engineer at $20,000; secretary at $8,500. Video manager and secretary remain and their salaries increase 7%. Total staff salaries plus benefits now total $120,950.

Year II Budget

Outside Program Production	$132,000
Inside Production Costs	13,000[1]
(2-inch tape; graphics; misc.)	
Crew	6,000[2]
Distribution	
Duplication	14,400[3]
Cassettes	10,200[4]
Mailing	3,000[5]
Player/Monitor Amortization	38,133
Depreciation of Other Equipment	50,000
Maintenance	12,500[6]
Office Expense	12,000
Studio Utilities & Supplies	10,000
Travel	6,000
Miscellaneous	8,000
TOTAL OTHER EXPENSES	$315,233
STAFF BUDGET	$120,950
TOTAL BUDGET	$436,183

Notes:

1. The programs produced internally will involve the following average variable production costs:

2-inch Tape Stock	$300
Graphics, Props	200
Travel & Miscellaneous Expenses	150
	$650/program

   20 programs x $650 = $13,000

2. Crew: During this period, 2 camera operators and an audio person are on a per diem arrangement. 3 persons @ $100 each per day, 1 day per program. $300 per production x 20 programs (produced internally) = $6,000 total Year II crew expense.

3. Duplication
   - An average of 40 copies of each program are duplicated. Not all programs go to all locations. We estimate average duplication to be 80% of number of players.
   - Annual duplication costs are estimated by multiplying the number of programs by the average number of copies of each program and multiplying the result by the duplication rate per cassette ($12 for 1/2 hr. 3/4-inch cassette per current rate card of a leading supplier).
     30 (programs) x 40 (copies) x $12 = $14,400

4. 3/4-inch Cassette Stock
   Cassettes can be recycled in order to greatly reduce costs. Average cassette can be duplicated six times. Tape quality; average shelf-life of company programs; recycling turnaround time; and shipping cost are all factors affecting potential recycling savings. Here we assume with proper recycling management, annual purchase of new cassettes can be reduced 50%. As with duplication, cost is equal to the number of programs multiplied by the average number of cassettes and multiplied by cassette purchase price.
   30 (programs) x 40 (copies) x .50 (recycle) x $17 (per cassette) = $10,200

5. Mailing – \$2.00 per cassette. 10% annual increase
   1200 cassettes x \$2.00 = \$2,400

6. Maintenance – 5% of investment.

Year III

Assumptions:

A. 75 programs will be produced in-house.

B. The staff will increase by one writer/producer at \$17,000; one associate producer at \$14,000; one secretary at \$8,500.
   Salary levels for current employees (video manager, production manager, writer/producer, engineer, two secretaries) increase 7%. Total staff salaries plus benefits now total \$178,850.

C. 10 video cassette recorders will be purchased @ \$2,660 each. Total network of 60 players. Same amortization (3 yrs.).

D. \$20,000 worth of new and replacement equipment will be purchased.

E. Previous year's cassette, duplication, mailing and out-of-house production rates increase 10%.

Year III Budget

Inside Production Costs	\$54,000[1]
(2-inch tape; graphics; misc.)	
Crew	12,000[2]
Distribution	
Duplication	\$47,500[3]
Cassettes	33,700[4]
Mailing	7,900[5]
Player/Monitor Amortization	47,000
Depreciation of Other Equipment	
(including new equipment)	54,000
Maintenance	12,500
Office Expense	15,000[6]

Studio Utilities & Supplies	15,000
Travel	7,000
Miscellaneous	12,500[6]
TOTAL OTHER EXPENSES	$318,100
STAFF BUDGET	178,850
TOTAL BUDGET	$496,950

Notes: (See Year II Notes for a more complete explanation)

1. 75 (programs) x $650 (per program) x 1.1 (inflation) = $54,000.

2. Program production can be scheduled so as to require only 40 production days, limiting crew days to 40.
   40 (days) x 3 (people) x $100 (per day per person) = $12,000

3. An average of 48 copies (80% of 60 player network) of each program will be duplicated.
   75 (programs) x 48 (copies) x $12 (duplication rate) x 1.1 (inflation) = $47,500

4. 75 (programs) x 48 (copies) x .50 (recycle) x $17 (rate per copy) x 1.1 (inflation) = $33,700

5. 75 (programs) x 48 (copies) x $2.00 (mailing rate) x 1.1 (inflation) = $7,900 mailing costs

6. Increased office operations.

Year IV

Assumptions:

A. 125 programs will be produced internally.

B. Staff will increase by one writer/producer at $17,000. Existing staff remains: video manager, production manager, three writer/producers, one associate producer, one engineer and three secretaries. Their salaries rise 7%. Total salaries plus benefits total $244,850.

C. Cassette editing system purchased to eliminate editing overload . . . $50,000

Year IV Budget

Inside Production Costs	$97,500[1]
(2-inch tape; graphics; misc.)	
Crew	19,500[2]
Distribution	
Duplication	86,400[3]
Cassettes	61,200[4]
Mailing	14,400[5]
Player/Monitor Amortization	25,000
Depreciation of Other Equipment	64,000
including new equipment	
Maintenance	12,500
Office Expense	16,000
Studio Utilities & Supplies	16,000
Travel	8,000
Miscellaneous	15,000
TOTAL OTHER EXPENSES	$435,500
STAFF BUDGET	244,850
TOTAL BUDGET	$680,350

Notes: (See Year II Notes for more complete description)

1. 125 (programs) x $650 (per program) x 1.2 (inflation) = $97,500

2. Production days can be limited to 65. 3 (persons) x $100 (per person per day) x 65 (days) = $19,500

3. 125 (programs) x 48 (copies per program) x $12 (rate) x 1.2 (inflation) = $86,400

4. 125 (programs) x 48 (copies per program) x .50 (recycle) x $17 (per cassette) x 1.2 (inflation) = $61,200

5. 125 (programs) x 48 (copies per program) x $2 (mailing rate) x 1.2 (inflation) = $14,400

Year V

Assumptions:

A. 150 programs will be produced.

B. Staff will increase by one associate producer at $14,000 and one secretary at $8,500. Existing staff remains: video manager, production manager/director, three writer/producers, one associate producer, one engineer, three secretaries. Their salaries increase 7%. Total salaries plus benefits now total $290,050.

Year V Budget

Inside Production Costs	$126,750[1]
(2-inch tape; graphics, misc.)	
Crew	24,000[2]
Distribution	
Duplication	172,300[3]
Cassettes	79,600[4]
Mailing	18,800[5]
Player/Monitor Amortization	8,867
Depreciation of Other Equipment	64,000
Maintenance	12,500
Office Expense	17,000
Studio Utilities & Supplies	17,000
Travel	8,000
Miscellaneous	15,000
TOTAL OTHER EXPENSES	$503,817
STAFF BUDGET	$290,050
TOTAL BUDGET	$793,867

Notes: (See Year II notes for more complete explanation)

1. 150 (programs) x $650 (per program) x 1.3 (inflation) = $126,750

2. 80 (production days) x 3 (people) x $100 (per day per person) = $24,000

3. 150 (programs) x 48 (copies) x $12 (duplication rate) x 1.3 (inflation) = $112,300

4. 150 (programs) x 48 (copies) x .50 (recycle) x $17 (rate per copy) x 1.3 (inflation) = $79,600

5. 150 (programs) x 48 (copies) x $2.00 (mailing rate) x 1.3 (inflation) = $18,800

Putting these budgets together year by year, we get the following pattern:

Year	No. of Programs	Total Budget	Average Cost Per Program
I	20	$ 324,000	$ 16,200
II	30	436,183	14,539
III	75	496,950	6,626
IV	125	680,350	5,443
V	150	793,867	5,292

The five-year average annual budget is over $546,000. This is more than twice what Arthur indicated as his first year's budget. It is not until the third year when the staff has stabilized and the studio is in full operation that we get a true picture of what Arthur's operation is going to cost. Economies of scale and advantages of in-house production begin to take effect around 50 programs a year — far more than many companies actually turn out.

The preceding scenario involves one assumption we have elsewhere challenged: that annual program volume will increase from 20 to 150. Predicting production requirements three years ahead of time is tricky business for a company; please heed our earlier caution about demand "inflation." There is no doubt that at some point, it becomes advantageous for a company to consider an internal production facility. The point of this example is simply to show that even if the volume of programs produced grows very substantially, cost per program still remains fairly high. The $5,000 or so that it costs per tape is much higher than the $1,000 or $1,500 that many companies will claim is the cost of each production they turn out. Usually, they're leaving out such key expenses as staff overhead, equipment amortization, and distribution.

To date, we have seen too many companies overestimate future requirements and underestimate the real costs of running an operation. The ensuing collision with reality is painful for everybody.

The Last Word

The stories of success and failure of various video operations within companies warrant some study. Finding the truth behind what actually came to pass and why is difficult, to say the least. There are more than a few job hunters who have recently witnessed the rise and fall of their first six or seven figure budget. Develop as many tools as possible for estimating the future needs — communication, software, and hardware — of your company. Buy not what you think you may need, but what you know will save your company money. Proceed slowly, with care, and with all available help.

VII
Selecting And Planning Programs

Planning for an Objective

We're well along the road to showing how to make the investment in TV a productive one. First came the analysis of a company's overall communications needs; properly done, this analysis gives direction to the video effort. We've shown, too, how to approach the question of a full-fledged television studio – and we saw the value of deferring the major expenditures until the company is certain it'll know how to use what it buys.

Now the issue at hand is zeroing in on the right individual programs. Once again we're back with the task of identifying needs, selecting objectives, drawing up a plan.

Perceived and Hidden Problems

Need, objective, a plan – these sound familiar. This time we are talking about individual programs – not a system analysis. Once a general area of need is identified, it's necessary to shape it into an objective. Determining what really needs to be said in a program can be very difficult.

A first step in sharpening an objective is to take the program suggestion to the intended audience. Ask top management what they think needs to be communicated downward to the members of their organization, and you'll probably hear something pretty familiar. It's been said before – in the cafeteria, at the annual meeting, before the chamber of commerce. The message is, "Let's hold down costs for a better return on investment," or "Quality is the key to progress," or "Progress is the key to quality."

If corporate video is used simply to reaffirm what is already assumed, a lot of money will be spent for nothing.

There's nothing wrong with any of the old saws; they've got a lot of truth in them. The problem is implementation. If the message isn't getting through, if performance isn't living up to the words that seek to inspire it, then something is wrong and something different must be done. This is the hidden need; the perceived need is only a pale reflection.

For video programming to be effective then, it must have audience input. Communication is not just sender and message; it is receiver as well.

A number of questions are crucial. Who is being spoken to? What must actually be said? Have the people who will be listening heard this before? What do they expect to hear? Do they have any reason to doubt what they will hear? What do they expect will be avoided in the presentation? Why? Few senders actually consider all of this before starting to broadcast, which is why most management messages are never received.

Upward communication is difficult. This is not achieved simply by "listening." Managers don't get a chance to listen and employees seldom provide all the necessary information, particularly when the manager asks them outright.

A digression is in order here to point out the difficulty of upward communication. That standby of upward communication, the suggestion box, prompts employees to come forth with proposals that will save the company money, usually in a manufacturing process. The reward is up to 10% of savings to be realized. But the kinds of suggestions that result are the very ones that have little trouble working their way up the hierarchical ladder – everyone knows that ideas which bring hard savings are going to be appreciated. What is much more difficult to elicit is a flow of information and suggestions that can improve company performance in less tangible ways – by improving work flow, use of time, morale, general business practice. This is the kind of upward communication that will make for successfully designed television programs. Getting it depends upon understanding the audience.

The solution to this conundrum lies in the agency of a third party: the producer. Whether from inside or outside the corporation, the producer lends a valuable independent perspective. It is the producer's job to bring the sender and receiver together. Management must condition its thinking in relation to the audience addressed. The producer should be able to probe the organization for communications gaps, to survey and converse with the intended audience, to encourage plain talk without raising fears of reprisal. The producer must discover how well-informed the intended viewers are on the issue in question. Was that important report read? Was it considered important? Obvious? Repetitious? Was it believed? Only frank conversation with the audience can generate this kind of information.

For example, a program was intended to dispel misinformation and ill feelings about the repeated delay in construction of a new plant. Management indicated that one of its emphases during the program would be the increased energy costs that now face the company, cutting short the immediate supply of capital. Interviews revealed that virtually all members of the intended audience had heard this argument from management at least three times. Scratch the emphasis on energy costs; the point could still be included, but the interviewer knew that management's key argument would have to be significantly different if the program was to be effective. The researcher came back to management, explaining that the field personnel had heard and were unconvinced by the argument because they felt that it was a dodge. This valuable information was enough to change the basic content of the program, enhancing its effectiveness.

If what you have to say does not strike the audience as both directly relevant and believable, they are likely to think that you are using video for your own self-aggrandizement. "Who does he think he is," they will say, "a TV celebrity?" Before sending out a program, identify your audience, describe it (and its needs). Only then are you ready to address it.

An objective is a workable goal. You have an objective when you can answer the question, "What specifically should result from the showing of this tape?" As the earlier section on cost-benefit analysis pointed out, the best objective is one which has either demonstrable dollar savings, or which can have other measurable benefits such as the speed, uniformity, or effectiveness of information delivery.

In stating the business objective, define the objective in terms of the audience. Proceed by asking, "Whom is this for? and what are we saying?" In theory, it's impossible to decide what you are going to say before you know to whom you are speaking. Nevertheless, many producers or associate producers set out on the process of program design by deciding exactly what information should be included. They do, of course, have a general idea of the audience (company managers who speak English), but seldom is enough attention paid to particular characteristics of the audience which can be used to enhance the program's effectiveness. With a profile of audience members established, basic information can be selected which will be relevant to that audience.

Once the audience and content have been specified it can be asked, "Is the program worth doing?" Any of the cost-justification procedures described earlier (Chapter V) can supply the answer.

Consideration of the audience not only helps to clarify the program objective so as to make cost justification and evaluation possible, but also feeds the next step, design of the program concept. Before specifically considering how programs should be adapted to characteristics of a specific audience, we can establish a number of basic expectations common to corporate audiences.

Expectations of the Audience

One corporation put together a monthly corporate news show for its video system. An eager volunteer from Public Relations served as "anchorperson." He was not a professional newscaster. He looked bad and sounded worse. In the company cafeteria employees felt uneasy as they gazed at the first divisional newscast via video cassette. It was almost like watching an amateur talent show; they felt ill at ease, even though they were intrigued.

"He did pretty well at that – for the first time out." "Not like Walter Cronkite."

People watched the man's performance as if he were a television celebrity, paying little if any attention to what he said.

The problem is one of audience expectations. When corporate television emulates commercial broadcast television, audiences respond – and criticize – as if they were watching a network production. Music, elaborate sets, special effects – the tricks of the broadcast entertainment trade – all serve to raise entertainment expectations in a corporate audience. With the music and lights fading up on the set, Abel Founder III comes on the screen and provides a one man anti-climax.

Corporate programs must define themselves as functional (rather than entertainment) experiences which serve a viable business function. This means that program formats must serve business needs rather than the broadcast ambitions of the video production staff.

Declining to compete with the networks in program production does not mean that *technical* standards can be compromised. Viewers around the world have become accustomed to professional picture and audio quality. When colors shift, audio fades, or other problems occur, the audience is immediately distracted. For this reason, corporations must emulate technical standards of broadcast, while seeking to define different program formats.

Creating functional rather than entertainment programs helps counter another aspect of audience attitudes – management guilt about spending time watching television. Often a manager takes out a legal tablet, closes the door, sits down, starts a tape, only to have someone open the door, look in, and ask, "Hey, what you got on in there, the World Series?" A decisively businesslike presentation fosters viewing patterns which are conducive to program effectiveness. If television becomes thought of as entertainment, no program can ever be actually perceived as a productive use of management time.

Viewers expect television to be a "live," immediate experience. We have seen events and disasters as they happen. Even if we are watching pre-recorded video tape, the magic of the medium is that the program seems as if it is happening now, regardless of whether it was actually recorded years earlier. That is, however, a double-edged sword: if a program does not have immediacy – the "live" quality – it seems very dead. The audience becomes detached and the effectiveness of any program – including a corporate program – is greatly reduced. This was the fate of the educational television which has all but disappeared from home screens; the programs did not project the illusion of now. Viewers will not sit still for a program that lacks this quality.

During the planning stage of a program the immediacy can be built in. Pace in corporate programs is very different from that of a weekly detective series and does not necessarily require big budgets. The program concept section of this book will explore ways of creating the "live" illusion.

Finding the Right Program Concept

A program concept is a strategy for achieving an objective. When you have determined what your objective is, you know your audience, you know the obstacle (interference) that exists between sender and receiver, and you have a good idea of what your intended result is. The problem now is: how can those obstacles be overcome so that the message can be communicated?

This is where design is all-important. A single idea for the design of the program must be agreed upon by both the manager and the video producer.

Once the program concept has been agreed upon, most of the remaining work is the responsibility of the video department.

Bad programming is nearly always the result when the program concept is not brought to the surface and examined at the outset for probable effectiveness. In most corporate video production, the program concept is not isolated as such. It is assumed. "Our strategy for overcoming employee fears raised by the plant closing," runs the unstated assumption, "will be to have the chairman read a speech." Of course, once the assumption is stated in this manner, its absurdity becomes obvious.

Your message may be the whole truth and nothing but, but if you can't find a program concept that works – which presents the message credibly – then you might just as well forget about it. Truth that fails to convince people is fine for prophets and poets, but it's a waste of corporate resources.

Management and the video department must share the responsibility for the credibility of the programming they produce. The disagreeable fact of the matter is that both sides tend to take the path of least resistance when dealing with the other; then, when the program flops, each side can point to the other in blame. Funny thing: they are both right.

The Path of Least Resistance Leads to the Wrong Program Concept

The hardest job the video manager may ever have is to say "no."

"No" to the manager with some ham in him who just wants to do a show. Put a manager in a situation that is less than what his stature calls for, and the result is home movies: on company time, with company money.

"No" to the manager who wants to transfer his whizzy slide presentation to video tape. Use of video equipment is restricted for programs with business objectives and concepts which can realize those objectives.

Video managers who let such programming slip past are poisoning the well. Minimum standards must be set for the protection of the internal video network. It may seem easier to let the manager have what he asks for, but it will be harder on the video producer in the long run if he or she does.

Should the political aspect of saying "no" get sticky, video managers would do well to talk about the program concept. "Is having you do a Johnny Carson routine an effective way to persuade your employees of the reasonableness of your pension plan? Let's see if we can come up with a program concept that has a better chance of doing the job." Phrase your misgivings constructively. But be firm. When all is said and done, the program either works or doesn't work for the viewer. He or she couldn't care less whether the producer made the best of a bad situation.

On the other hand, managers must not let video producers relinquish responsibility for all but the technical quality of a program. To have a manager give a speech this week in front of pine paneling, next week in front of a fake brick wall, next month in front of a blue cyclorama, always with lighting so perfect that the audience expects a floor-wax commercial to follow – is not what coming up with program concepts is about. Naturally, producers may try to protect themselves by staying away from content. That way, if the manager's speech isn't effective, it's not for lack of high production values. But such an attitude works ultimately to the detriment of the medium as a communication tool. And that hurts everybody.

Every video production group falls into stagnant routines: think radically. Reconsider basic assumptions. Consider everything which might be changed – people, location, tone, content, method. . . . The following are concepts which either have worked or are being developed.

Employee Communication: A Sample Program Concept

During the recent energy crisis, top management at a major oil corporation recognized the need to explain the company's stand to its employees. On commercial television the public (including employees) watched aerial pictures of tankers anchored offshore, supposedly waiting for product price to rise. Questioning of lower level management revealed great anxiety over what to say to their friends and neighbors. A morale crisis was in the making.

There was an urgent need for the corporation to give its managers and employees the information necessary to answer media criticism.

The objective formulated was to explain, credibly, to managers and employees of the corporation what the corporation was doing and why, and to dismiss what the corporation felt were inaccurate allegations. It would not be sufficient, however, simply to deny the allegations; the denial would have to be believeable.

The first program concept suggested was to put the chairman in the studio and have him tape an explanatory speech. This concept was *modified* to increase intimacy: have the chairman taped in his own office. At this point in the planning the chairman was asked if he would be willing to answer questions rather than give a speech. Even though he was willing, it still did not seem probable that the resulting tape would be very credible. Who would ask these challenging questions?

The second program concept was to get actual employees into the chairman's office and have them ask him questions. Clearly, there was a quantum leap in credibility. The only problem would be to get the employees to be sufficiently frank in such a setting. So the second concept was further modified. The producer solicited questions from employees; the questions were anonymously submitted, and then other employees asked those questions during the taping.

Under these circumstances, the full capability and sincerity of the chairman shone brightly. The final edited program proved a powerful presentation of management's position. Without being interrupted, harrassed, or taunted, the chairman handled the toughest questions which were alive in his company. The edited video cassette was on the way to 150 playback locations around the world within five days. Employees worldwide saw not only the company's position, but the personal conviction of its leadership.

Management Communications: Sample Program Concept

Each year, one particular corporation reveals a new edition of the Long Range Plan (LRP), covering the next five years. It represents the corporation's overall strategy for the future, and as such is highly confidential. So confidential a document eventually is seen by only a handful of executives. At the same time, thousands of managers throughout the company at various levels have a great interest in the basic company direction and in diffracting a bit of the mystery of the LRP itself. The document itself contains substantial material which is not particularly confidential (no competitor could really use the material to advantage). Yet the principles behind the LRP could serve to motivate the company's own management. The corporate planning department looked over the plan to see what could be coherently presented without jeopardizing confidentiality, then got top management approval for a video program.

The idea was to present a lucid, candid discussion among top management of what was different about this year's report. The program would originate from the boardroom and would be presented as an interview of top management by an off-camera interviewer. The interviewer's presence would eventually be edited out of the final program.

A problem surfaced: only three of the five necessary people would be present at any one time during the subsequent four months. The solution was to tape two groups of managers and attempt to match the situation in such a way that a final edited version of the program would appear to be a conversation among the five.

Two two-hour taping sessions covered all of the necessary material. Preliminary interviews with each of the five involved officers, and additional time spent with staff people, yielded a fairly complete, non-confidential picture of the plan. These notes were condensed, used to develop a series of conversation-starting interview questions, and the tapings were carried out.

Eventually, the editing process joined all sections to produce a well-paced, highly informative half-hour production.

Evaluation confirmed that managers appreciated being allowed to share in the view of the future of the company. Equally important, the program gave them confidence in top management's plans and abilities. A tangible benefit of the program was that it removed some of the mystery from sensitive areas of the capital budgeting process: how priorities were set and how various operating groups were ranked according to those priorities. This explanation did much to eliminate some of the existing impressions of financial hocus pocus which surrounded the annual announcement of priorities.

The program was distributed worldwide on video cassette and 16mm film. It has now been shown to more than 3,000 company managers.

Management Development: A Sample Program Concept

Consider the situation: a corporation was dissatisfied with its management development program. Reserved for the highest echelon of management (the expense is too great to permit lower levels of management to participate), the program consisted of six-week sessions at a business school. At these sessions, a great deal of classroom time was spent defining terms. Usually, only one or two of the professors generated any interest. To the extent that business school training is oriented toward models rather than real situations, managers felt isolated from their real business and questioned the models. The transfer which was actually made from school to work was minimal: when managers returned to the office, they realized how little of what had been learned could actually be put to work.

In short, there was too much distance between the company and the university. Literal distance *and* figurative distance.

Other corporations have approached this problem by establishing their own universities. But such a move is too costly for the firm in question. And besides, topnotch professors are often reluctant to come to private universities of this kind.

Research turned up some important information. When the corporation surveyed its ranks for five individuals who would be eligible in two years time to take the standard management development program, it found 30 individuals who were immediately prepared to profit from the experience.

A second survey asked managers what they wanted to learn. The six most desired topics were:

1. The manager and his responsibilities: planning, leading, organization, and control
2. Marketing strategy
3. Economics, public policy, and business
4. Financial management and control
5. Internationalization of business
6. Organization development: the management of human resources.

Concept: A management development program designed to solve some of these problems using video. The company will continue to send a quota of managers to the various leading business schools, but in the future, selected professors will be taped, both individually and in discussion with company managers. The survey of managers who attended the business school programs yielded the names of professors whose teaching was considered most relevant to the concerns of the company. While company managers are attending the business school programs, these professors will present lectures specifically addressed to the company's needs. After hearing a lecture, the managers will question the professor, trying to bring the teaching closer to the company. The resulting series of programs, it is hoped, will make available to all company managers the best of the business school, while relating courses directly to operational problems. At this stage, selected professors have agreed to participate in the project and the specific curricula are being developed.

Variations on management development by video cassette have already been tried. One of the "Big 8" accounting firms has trimmed several days off its own in-house university program by adapting the material to video cassettes. One off-the-shelf programming project has tried to standardize management development material for mass corporate consumption, much as has been done with audio cassettes. The greatest opportunity for progress lies in more cooperation between business schools and corporate management development programs.

Special Message Channels: International Currency Report

A major New York bank determined that the customary London to New York cables regarding expected currency developments in the international money market were creating confusion. That confusion was seriously damaging the bank's currency position. New York followed day to day developments, but relied upon London for a weekly analysis. New York requested that the weekly cables be longer, more complete, more direct. Each request produced little actual change. Part of the problem stemmed from a conflict between the British and the American ideas of cable language. An American was sent to London to assist (among other things) with the cables. His telegrams were no more helpful. The American complained that it was nearly impossible to transmit the subtleties of the situation via cable.

Meanwhile, the people at the receiving end still could not relate the description of the week's past events in the cables to their own charts of the situation. Clearly, the Americans would better understand the situation if the British could present their complete analysis using their charts, their gestures. In short, if there was to be any communication, it would be without value unless the nuances of the analysis and prediction were clearly presented. Perhaps the problem could be ameliorated with the help of video.

The idea was to use a video cassette originating in London to present developments at sufficient length, including all necessary charts and graphs. The talent of the London staff had been underutilized because it could not be reduced to a single telegram; now all their knowledge and judgment could be transmitted to New York. The show eventually included not only the key bank people involved from week to week, but specialists with expertise in various areas of topical interest. In some cases, members of foreign governments were interviewed by the bank staff as part of the report. Each weekly edition of the money report was flown to New York late Friday night for review Monday morning.

Such comprehensive reporting brought the New York and London operations far closer: after eight weeks, communication had improved sufficiently to make cable messages possible again. New York had learned London shorthand. The weekly money market series was discontinued, its mission accomplished.

International Monetary Fund Report. Shortly thereafter, bank executives expressed anxiety about the role the International Monetary Fund would play in coming months. The official statements from the IMF were studied but revealed little in the way of information or attitude which could be used in actual planning. The proposal — to tape an interview with the head of the IMF conversing with people from the bank. Would he agree? He did; all it required was the request.

Not only was the final program of immediate value for the strategic information it conveyed, but it became a basic developmental tool for bank people regarding the IMF. The interview provided a picture of overall IMF operations, how the current president saw the role, and what was planned for the immediate future. In solving the problem at hand, the program also became a resource of lasting value.

Program Concepts: Conclusion

What is the difference between a concept and an objective? The distinction is between the why and how of a program. Our insistence here is that every effort be made to be aware of assumptions. Video is a versatile medium which can be used in many ways: do not let decisions about *how* it should be used pass by unnoticed. Television programs for business ideally consist of only what is required for functionality; all else is either decoration or mistake. Proceed from a program idea which seems potentially effective with the particular audience. Solve problems for the audience, not simply for the sender.

Beware the program which will accomplish something other than the stated objective, even if that secondary result is beneficial to the company. Too often a program idea is selected that meets an unstated goal with enormous success, although it does not actually accomplish the task at hand. The momentum of the "program" then takes over and the original objective becomes forgotten.

Research Into Audience and Subject

Defining the objective and specifying the program concept will get those responsible for a video production pointed in the right direction. To avoid becoming sidetracked, however, it's wise to conduct thorough research for each program.

Research feeds program concept and program concept feeds research. No standard categories of information exist; the researcher must be resourceful both in deciding what must be accomplished and how to go about acquiring the information. When in doubt, begin with the audience.

For example, researching a divisional quarterly report to plant locations sensibly begins with a phone call to someone in a plant. If you have a friend or acquaintance, so much the better. What are the current concerns of the employees, the management? How do they think the division is doing? Does anything worry or anger them? Misinformation? The importance of building a network of contacts at various levels of the corporation is extreme; reliable information about audiences is readily available through your own grapevine. The next best choice is a survey of audience members on the subject. Often, however, what people say about their company, its people and policy, is far different than what they will commit to a written questionnaire. The written responses are not only milder, they often contain no mention of the most important obstacle to communication.

Develop an intelligence system for the video department. This is by no means conspiratorial; it's how most effective managers operate. Such a network will keep the video staff in better touch with the communication needs of the company and enable people to develop a nose for needs.

Frequently, researchers find themselves in the position of being asked to do a general tape about a matter that is confidential in its specifics. This does not make the job any easier, but it is a fact of life for a person in this position. In one instance, a producer had to design a program about the corporate long range plan without actually being permitted to look at the plan itself. Persistence in questioning the experts yielded enough material to design the program.

Because research can yield information which argues for major revision of program concept, the best researcher often is the producer. By obtaining good audience information the producer can sometimes realize that a program or approach has little chance of actually succeeding.

The researcher must adapt to the needs of each assignment. Usually this means acquiring a basic background in the subject very fast. People doing this work must be able to learn new subjects quickly or they will never establish the necessary credibility with those whom they interview. Experts do not give their best thoughts to someone who doesn't know anything about the field. On the other hand, they often go out of their way for someone they think knows something – but not everything – about a subject.

Approval: "But I had no idea!"

Video is an unpredictable medium. There is no way, going into production, to predict exactly what the final program will be like. Getting a manager to understand this, especially if he or she is going to appear on camera, is not easy.

Even if they give their approval to the program concept, managers may find the finished product so different from their expectations that they will say, "But I had no idea!" and not be fibbing.

There are two courses of action for the producer to follow in seeking a manager's approval before taping. One is to submit a script for approval. The other is to be as vague as possible in describing the production process.

Neither method is foolproof.

Give managers a vague description of what the finished product will be, and in all likelihood they'll form a rigid and incorrect idea (if they don't throw the producer out of the office for being vague in the first place). What a manager visualizes from a script is more than likely 180 degrees off the mark. The ability to visualize from a script is rare; those who have it are usually in show business anyway.

Our advice to producers is to do the best you can. Explain in as much detail as possible what it is you will do. Focus on the program concept and taping process. For major programs, use a storyboard to show pictorially what you want to do in the program. Tell managers about the risks involved, explaining what you believe will be difficult. The more cooperation you can elicit from management, the better chance you have that management will be favorably disposed toward the final product.

Ultimately, you are looking more for trust than approval.

Don't treat management as ignorant "talent." With no foul ups and a bit of luck, you'll get the trust you want straight off. If not, the only way to get that trust is to earn it.

The Production Outline

The likelihood of a successful program, and of obtaining approval from those concerned, is greatly improved if the producer has carefully set down all the elements that will go into the production. A program being readied for production needs more than a run-through of a checklist to succeed. Nevertheless, the following section may help in arriving at a program concept suitable to your needs. Develop your own budget sheets from any of the many types available. Design a production outline. Format should be your own, but should probably include the following elements:

- THE PEOPLE: Who will appear in your video tape?

  Top management
  Managers
  Employees
  Specialists
  Actors

- THE CONTENT: What will be in your video tape?

  Essential information
  Support material
  Related subjects

- THE LOCATION: Where will you shoot?

  Office
  Conference room
  Auditorium
  Plant
  Studio
  Lab
  Exterior locations

- THE LOGISTICS: When must you shoot? Edit?

  When the principals are available
  When the facilities are available
  When there's still enough time to meet a deadline
  When the information will be current

- THE METHOD: How will you proceed?

  With a script
  With an outline or notes
  With interview questions
  With hope

- IN ADDITION:

  What tone do you wish to achieve?
  Which elements of the program will produce that tone?
  How much post-production editing will/can you do?
  How long will the tape run (approximately)?

- TECHNICAL CONSIDERATIONS: Formats

  Acquisition (The Shoot): super 8, 16 or 35mm film; 1/4-inch, 1/2-inch, 3/4-inch, 1-inch, or 2-inch video tape?
  Editing: super 8, 16, 35mm film; 1/4-inch, 1/2-inch, 3/4-inch, 1-inch or 2-inch video tape?
  Distribution: super 8, 16 or 35mm film; 1/4-inch, 1/2-inch, 3/4-inch or 1-inch video tape?

- GRAPHICS: What do you need?

  Charts
  Animation
  Integration of other media (e.g., slides, film)

- LIGHTING: What will you need?

  For exteriors: sunscreens, reflectors, lamps?
  For interiors: standard lighting, special adaptations?

- SOUND: Keep track of . . .

  Number of microphones
  Whether they are all open or will be adjusted individually as participants speak
  Whether they need to be filtered
  Ambient noise for exteriors
  Wind
  Do you need additional effects (voice over, music)?

There may, of course, be other items which a video manager will want to include, but develop a format which becomes standard practice.

A note on the people. Not everyone involved in an issue need appear in the program. Nor should being put on tape be used as reward for good behavior or as a token of respect. Don't let top managers surround themselves with a phalanx of staff members. Watch out especially for casting combinations that will cause hostile situations.

A note on the location. Think both function and interest. Don't be studio bound.

A note on formats. The guiding principle in choosing formats is to get the best quality you can afford from what is available; and make sure the format you choose is capable of getting to the location of your shoot. In the simplest terms, super 8 or 16mm film are each portable. For video tape, 1/2-inch and 3/4-inch are equally portable, but 3/4-inch tape is of better quality. Both 1-inch and 2-inch tape are somewhat less portable, 2-inch being of highest quality and cost. Remember, in any event, that any format may be transferred to any other format. (See Editing for comparison of editing formats.) The format you choose for distribution depends upon the playback units available to your audience. (For a discussion of the determining factors in choosing the best format for editing, see Chapter VIII.)

"I just wish I'd been consulted . . ."

Initial authorization is often not enough. You may have thought that talking to the top manager or policy administrator involved with a program was the end of the line in the approval process. After all, if this person requests or initiates a program, what's the problem? Don't be deluded. If you have crossed anyone else along the line, it is a fact of life that you, and not top management, will take the blame.

Getting middle level managers and information specialists to approve the inclusion of particular subject matter which may be deemed confidential or proprietary is often the biggest obstacle the producer may encounter. Top management approval can be persuasive here in insuring the autonomy of the video department. With official management support, the producer can more easily overcome the reluctance of middle managers to release essential information which stalls programs in production. Confidential material can always be labelled, kept under lock, distributed to the intended audience, and then returned to lock or erased. If the material is considered proprietary to top management, modify the concept. This will be much less of a headache than having to modify the final product.

Another reason for getting approval from as many sources as possible is to avoid duplication of programming by others within the division or in another division. Competition for video resources for the same program concept is wasteful. Two divisions could easily use the same footage or crew to carry out their program objectives.

In summary, get approval in advance from the principals: the information specialists, the policy administrators, and from anyone else you consider to be remotely involved. Such approval greatly facilitates the production, editing, and distribution of programs – the subjects of the next two chapters.

VIII
Production And Post-Production

At this point in the process of program production, a communications problem in the corporation has been identified and a television program seems to be the answer. A program concept is set, the parties involved agree to it. You even have a date (or dates) reserved for shooting. Now the task of the video department becomes one of carrying the concept through to completion. It's a job that calls for planning, attention to detail, and a healthy sense of humor.

Taping the Program

Since this book is not a technical manual, this section deals with producer/participant cooperation during the taping process. There is a sizable misunderstanding when art and business meet. Only an extended relationship with results pleasing to both sides can bridge the gap. The point is, don't start off on the wrong foot. Allow for potential bottlenecks in production timing. Agreement should be made well ahead of time on what will be done when and with whom. It takes forever to get some shows off the ground.

At this stage in the creation of most programs, 45% of the work is completed. The taping takes up an additional 10%, and post-production consumes the remainder.

Programs are "made" in the planning and editing. Good planning can prevent production bottlenecks, especially in the editing process which takes a great deal of thought and time.

The participants, whether managers or employees, have but one task during taping: to be as comfortable and to act as naturally as possible. It is the producer's job (and that of his or her assistants) to make sure that the information necessary for the final tape is elicited during the taping. The more comfortable the participants become, the more concise will be their remarks. Neither the producer's nor the participant's job is easy. Always remember the operating principle: the participants must be relaxed.

Video is an intimate medium. It points up stiffness, phoniness, and hypocrisy with unfailing consistency. It bares participants' personal qualities to the scrutiny of the audience. The participant who is calm, knowledgeable, and honest will make a smashing impression. Even if he can't tell a joke to save his life.

While it should not be used specifically for this purpose, video does have the side effect of getting managers known around the company; it can make their careers soar. Managers are their own best spokesmen. It is the personal qualities they project which are important, not their acting abilities.

The Manager's Fears

The manager who walks into the studio to be taped for the first time is justifiably worried about a lot of things.

"What am I doing here?" the manager wonders. "Why didn't they get Harry to do this? All the ladies go for him. I'm not good-looking enough for this. I'm going to be the laughing stock of Noxoleum."

Ask the manager for cooperation, and he or she will say, "Of course." But there are degrees of cooperation. It is perfectly natural for the manager to seem feisty and stiff. There is no malice in it; the manager is scared. To a degree, stage fright is beneficial: even Laurence Olivier gets stage fright; it helps to energize the performer.

Sometimes a manager will ask beforehand if there is a school or something he can go to to prepare him for a video appearance. The short answer to that question is, "Not really."

There are schools which teach managers how to meet the media, improve their public speaking composure, and handle adversary relationships. All these experiences can help a manager's video presence, although indirectly. Consider establishing an in-house program for managers which allows them a chance to be taped, review the tape, and try again. This requires as little as a half hour per manager and can favorably affect a manager's appearance before the cameras. (See "Afterword: Memo to Video

Managers.") The point here is that managers don't have to learn acting.

One very important job of the internal video advocate is to see that educating management in the experience of being on camera is accomplished. Video is dead at a number of companies primarily because this task was neglected.

The Producer's Attitude

Of course, the manager isn't the only one to be nervous. Often the producer, who may have been wishing unreasonably for the manager to be Ted Kennedy, Douglas Fairbanks, Alfred Sloane, and Peter Drucker rolled into one, starts to feel an acute sense of disgust just prior to taping. There's a good chance that he's wishing that he could be doing something artistic elsewhere or that he's annoyed because he feels the right hardware is lacking.

The manager walks in, stumbles over a cable, and the producer thinks, "Who is this clod?" He shakes his head and turns to one of the cameramen. "The talent's here," he says.

The manager overhears this remark and starts to get angry. The producer unsettles him further by ordering him about, telling him where to stand, what to do, scrutinizing him as if he were a piece of raw meat.

The manager, seated in place, waits and waits as various adjustments are made. He begins to get impatient. "When can we get on with it?" he asks.

The producer replies, "I'm sorry, sir, but there's a lot going on here."

In the Studio Management

When managers and producers allow their relationships to reach the stage outlined above, the taping is a lost cause.

Managers and employees are the best people to use for most corporate video programming. But they are not professionals. For them, television taping is disorienting. They cannot be left alone on the set while the director stays in the control room and the camera people sit behind their cameras. The producer (or an associate who has worked with the participants) must be present.

Effective stage management consists primarily of understanding just how disorienting taping is for the non-professional, and dealing with the problem positively.

If a teacher assumes that a student is stupid, the student will not learn. Producers should understand that their manager-performers are persuasive people (that's how they got where they are) and that their employee-performers are genuine people. (Why shouldn't they be?)

The presence of the producer reminds the participant that he or she is talking to someone, rather than at a camera. This will do much to prevent stiffness. The producer should also be on hand to answer any technical questions that the participant might have, as directly and completely as possible. Obviously, this helps to put the participant at ease.

Explaining in advance the need for retakes is also a good idea. When you ask an actor to do a speech over and over again, it only costs you money; when you ask a manager to do the same thing, it costs you good will. Either explain in advance the need for retakes, or be very tactful. Managers are very sensitive to unbusinesslike conduct; they are acutely aware of the value of their time; they may not give you a second chance. Be sensitive to the manager's doubts and concerns. Remind him that nothing is final — anything that goes wrong can be edited out.

The producer must be willing to throw out the first 20 minutes of tape, if that's how long it takes to put the participant at ease. If you are using the unscripted method, start out with an easy question. This gives the participant a feeling of confidence. If the participant is an employee, a question like "How long have you been working for the company?" might do the trick. The producer is the host; he or she must start the conversation.

Producers, for their own protection, cannot afford to indulge the participants too much, once they have the ball rolling. Managers must be gently nudged back to the issues at hand.

If the participant has natural gestures, fine. Fake gestures must be eschewed, such as the flagrant examples of putting one's hands behind one's back, buttoning and unbuttoning one's coat, lifting and setting down props for emphasis, rubbing one's hands, smoking, standing ramrod straight, and rolling one's eyes back into the head.

Nervousness on the set is usually expressed through the feet. Most people think their feet are hidden so that's how they let nervous energy escape. Feet-watching is a part of the stage manager's job. It is the best anxiety meter available. Other indications are the high-pitched voice, the dry or tight mouth, and frozen hands.

Producers should avoid giving a barrage of tips to the participant all at once. If you concentrate too much on the myriad elements of your golf stance, you'll never hit the ball.

Information Control

In all taping situations, there must be someone other than the director and the producer who is keeping track of how much usable information is being recorded.

Before the taping, whoever monitors continuity – say, an assistant producer – must have an understanding of the concepts that will be discussed and a list of information that will be crucial to the content of the final tape. If there is a script for the program, the assistant's job is that much easier.

Although checking visual content is primarily the director's job, the assistant should be able to corroborate the director's judgments. If opening shots, reaction shots, and establishing shots are needed, the assistant should make sure they have been taken. Room tone – the constant sounds of a room in which no one is talking – must also be recorded, and it is the assistant's job to make sure that it has.

The more informal and unstructured a taping session, the more important is the assistant's function. He or she should be able to speak to the producer (or whoever is doing the interviewing), microphone to earphone, in order to alert the producer to any information gaps.

Frequently, introductory and closing remarks will be needed for the final editing. Information control is the job of making sure these bits are not forgotten.

Snafu Checklist

Mistakes during a shoot have three things in common: they are serious, costly, and nearly irreparable. Consider tattooing this list on the video manager's heart:

No white clothing. It can cause blooming (a visual distortion which can make a manager look like a neon interplanetary visitor).

No fine plaid clothing. It causes distracting moire patterns on the screen.

Find out if the participants are going to wear eyeglasses. Lighting adjustment should be made in advance.

Male participants should wear long socks. A flash of calf is to be avoided.

Doubleknit clothing makes people look fat on television.

Coats can ride up in back and make a manager look like a hunchback.

Swivel chairs can squeak. They also provide a visually unappealing vent for nervousness. Soft or low back chairs accentuate double chins and make most managers appear overweight.

Too much hairspray causes glare and looks bad.

Allow ample set-up time. Better too much than too little. It costs you more if you don't do it before.

Always survey the location or studio before the shoot. You never can tell what might turn up. Listen and look.

On indoor location shots, make an audio test for air conditioner noise. You may not notice the noise until you play it back. It usually sounds terrible. Don't forget extraneous noise such as telephone bells, footsteps, doors, etc.

Steel buildings can act as antennas and create broadcast subcarrier on audio lines.

Studio light bulbs should be changed regularly to prevent down time during the shoot.

Get permits. Some cities require shooting permits.

Calculate electrical current requirements. Consider all appliances that you're going to load on the circuit.

Check vertical props in the set. They can look as if they are growing out of your subject's head if the shot is not properly composed.

On location shoots consider the extra heat your lighting will cause.

Beware of profile shots which reveal a shaggy haircut or baldness.

A tie that slips is distracting to the viewer.

Make sure cameras are properly matched; there are few things as disturbing as cameras yielding different color.

Avoid using anything but lavalier microphones.

On location, measure cable; drop carefully.

Get clearance for early entrance to interior locations.

If you require a quick turnaround be sure to book editing facilities well in advance.

Think it through.

Editing

After shooting comes editing, often a make or break step for the program. Many producers and managers assume that if the program they are recording is successful, no editing of any importance will be needed afterward. After all, we sit through discussions in real life without editing.

Even scripted programs can benefit from editing. Television is faster than life. The video audience has its attention focused on that screen and expects greater density of information than real life provides. Rapidly paced commercials, the quick cuts from camera to camera that are used to enliven the repetitive formats of weekly shows, the ability to capture a sports event from many different angles – all have accustomed the TV audience to a swift pace. This is not the same as saying the audience expects action, but the words and the image must keep the program moving.

Editing makes all sorts of programming concepts possible. A very large corporation once made tapes of its annual meetings with the shareholders and distributed the finished video cassettes throughout the private network. The tapes were uncut versions of the meeting, and they were so boring that nobody watched them. Now, because of editing, the same material is being given the currency it really always had "live," but which never showed on tape. On the new tapes, top executives discuss their reactions to the annual meeting, and then view highlights of the meeting along with the video cassette audience. The result is a tape less than a half hour long that is crammed with important information presented. Instead of boring, it compels.

It couldn't be done without extensive editing.

The Elements of Editing

The technical information which follows is familiar to video people, yet also important for the manager.

The end product of editing is the master tape, from which all finished video cassettes will be duplicated. In the editing studio, the blank master tape sits on a video tape recorder (VTR), waiting for input.

Input comes from several sources. The major sources are the reels of video tape recorded in the studio or on location now mounted on one or more VTRs. Together these are known as the production footage. Segments of these reels are recorded onto the master. Additional inputs can come from cameras in the editing studio which are used to shoot graphics, and from any additional footage. A machine called a "switcher" coordinates these inputs and creates special effects such as dissolves, fades, split screen images, and wipes.

Each time a copy is made from one piece of video tape to another, some degree of visual quality is lost – the color isn't as good, nor is the sharpness of image (the audio quality is diminished, too, but to a much lesser extent). Successive levels of duplication are called generations. All tapes made from the original tape are in the second generation, and duplicates taken from these are in the third generation, and so on.

Whereas sections can be easily added or removed at any point in the film editing process, in video tape this is not the case. Video tape editing is an abstract process of decision making. Indecision or mistakes are costly in price and in loss of picture quality. While recording the video master, you cannot return to earlier sections of the program and add a segment or you will erase everything which was previously recorded on that section of the master.

There is an exception to this rule, but one that is usually impractical to carry out. It is possible to replace a segment by recording over it with a segment that is exactly the same length. A mistake will ruin the master: if the section you wish to insert is one second longer than the one being replaced, you will erase the second of material which you want to keep. It is equally impractical to remove a segment: once it has been recorded onto the master, removal leaves a gap in the tape, so the editing process of assembly must begin again where the gap begins.

The only other way to proceed is to create another master tape, in the third generation, using the first master tape as if it were production material. The loss of visual quality makes this technique undesirable, except when absolutely necessary.

All of this is a way of saying that getting the master right the first time is desirable from the standpoints of both cost and visual quality. Managers who would otherwise send a program back to the editing room for minor corrections should be aware of the difficulties and cost of the correcting process.

Preparing a master can be done in any format (format, in this sense, means specific tape width or film size), but quality varies widely from format to format. At present, 1/2-inch and 3/4-inch edits are unreliable and 1-inch isn't very much better. The 2-inch format – commercial TV quality – is flexible, reliable, and, of course, costly. The color degradation that takes place in the process of 1-inch editing is considerable. Still, the price of 1-inch color systems makes them attractive to many companies. The 3/4-inch video cassette was not designed for mastering, and 1/2-inch quality verges on the unspeakable.

No matter what format you use to acquire video material, it's usually a good idea to step up to 2-inch format for the edit, if you can afford it. When your 2-inch master is completed, you can duplicate it on any distribution format – from super 8 film to 3/4-inch video cassette.

Editing equipment comes in two types, computerized and manual. Manual systems can sometimes be as fast to use, but lack the flexibility of computer systems. Computerized systems can electronically locate specific segments of tape and make the joining of them nearly perfect.

Plan the edit so well that when you walk into the editing studio, you will know exactly what you are going to do and can spend as little time there as possible. Don't struggle to eliminate your editing; you'll only hurt your programs and cripple the development of your program concepts. Do minimize your editing studio time. Here's how.

Planning the Edit

Preparation for the edit should begin even before the shoot. This preparation starts with thinking about how the various segments on the master will eventually be combined to produce the final show.

- Will you record titles and other graphics as the program is shot or will you wait until the studio edit?

- What shots are necessary to acquire at the shoot so as to allow smooth transitions in the final program?

- What effects are appropriate and when should they be included in the production – at the shoot or in the edit studio?

- How much editing do you anticipate?

- What about cost and facilities availability?

- Can the shooting session(s) be structured in a way that will save editing time (and money)?

These considerations can change the program concept or simply allow you peace of mind. If the editor and the producer are not the same person, it's a good idea to have the editor present at the shoot. (We're assuming the producer is always there, too.)

The first step after the shoot is to view all of the production reels. You never know what you have until you look it over. Sometimes concepts that were dandy on paper fall flat on tape. Sections you thought were of minor importance work out so well on occasion that a modification of the program concept will be needed. So, the moral is, Approach the edit with an open mind. If the concept merits changing, get approval and proceed.

For example, during a recent taping for a corporation, a division president summarized the events of the past year and introduced his vice presidents, each of whom summarized business conditions in his own operating area and then reported on its specific performance. During the shoot, everyone – including the associate producer — was so concerned with getting everything down that no one noticed that much of the information overlapped. As soon as the production reels were viewed, the producer realized that the first half of each vice president's remarks would have to be cut, since the president had adequately summarized business conditions for the entire group. The concept was revised, approval was received, and a shorter, denser tape resulted.

Once you know what you have, the next step is cataloging it.

The Catalog

Better video management does not mean creating six different forms in an effort to standardize the cataloging procedure. Editors must use what works best for them; what's best is what's most efficient and reliable. Most editors use a combination of forms, but the look of the "paper edit" is unimportant, so long as the necessary elements are included.

The catalog describes what material was covered where, and what shots were used to record it. All catalogs should contain three kinds of information:

1. A complete record of all potentially usable verbal content. (Either a script, or for an unscripted show, a transcript or an outline.)

2. A complete record of all potentially usable visual content.

3. A reference system for locating materials on the production (e.g., by noting the elapsed time from the beginning of a reel at the beginning and ending of each segment).

From the completed catalog, the editor prepares a blueprint which notes how various sections of production material should be combined. These notes can include verbal and visual cues for the beginning and end of a segment, as well as some means of identifying where a segment can be found on the reel. Then, the editor can present this paper edit for discussion with program participants. Any modification proposed at this time will reduce subsequent re-editing. Finally, in the studio editing session the segments are electronically assembled in sequence onto the master tape, according to the blueprint. For a sample catalog and description of the editing technique of a real program, see Appendix A.

Once More, Approval

The principals, the information specialists, the policy administrators, and, this time, a sample audience, will probably want to screen the edited master before the program is put into general circulation on the private network. What is true of print publishing is true of video production, only more so: the further along the line a change has to be made, the more expensive that change is.

Any changes that are suggested at this point in the process must be brutally scrutinized.

Are they warranted? Are they worth the cost? What impact will they have on the communications effectiveness of the program?

If, after this brutal scrutiny, the change must still be made, the production simply circles backward as far as is necessary, and then again advances toward the final approval screening.

IX
The Finished Program:
Distribution, Evaluation

Once the program is edited and ready for distribution, the video department has another important job: to see that the program is used properly by the intended audience.

An Index for Each Program

To help assure this use, a permanent subject index, including footage locations, should be affixed to every video cassette. The index has value before, during, and after viewing.

The new viewer can determine the basic contents without having to view the entire program. The index guides attention as a program is shown. It also aids reference, because viewer time need not be wasted winding and rewinding or attempting to recall just what was included in a given program.

The various indexes to company programs can eventually be combined to form a subject catalogue of available materials. This catalogue can be based, as we shall see later, upon a systematic library design.

Only the Intended Audience Should Watch

The video cassette is a communications tool. Its function is to fulfill a communications objective, which means getting a specific message from sender to receiver in order to produce results.

So if the mail boy wants to see the new program that just came in, the answer is no.

We're talking about showing the program only to the intended audience. There is no point wasting corporate time by having those who need not (or, even more important, should not) watch the tape take time off their work to do so. Not only is it bad for the corporation to have employees wasting time in this manner, but it is very bad for the network. The programming should not be looked at as something separate from work, but rather as something part of the work day.

Managers may have some latent guilt about wasting time when they go to the playback machine to watch the new tape. They have every reason to feel guilty if the tape is of no use to them. But if a program is functional and oriented to specific objectives, it has a specific audience. Show that program to no one else.

The point at which cassette meets audience is the last point at which a program's effectiveness can be sabotaged. Of course, there are often those present who would like to do nothing better. People who feel threatened by the contents of a tape may try to influence the audience against it. In one instance, a manager, who incorrectly thought his job in jeopardy because of a tape, introduced the show as a failed experiment (which it was not) and asked for criticisms to send back to the producer. The producer was mystified at the negative response he received until he found out what had happened. He had neglected audience control.

All video cassettes should be accompanied by a cover letter (or a recorded explanation at the end of the program) to explain exactly for whom the show is intended and to give any necessary preparation for viewing. Don't leave the job of introducing the program to someone who is unfamiliar with the program content and objective; the audience must be guided into viewing if the program is to have maximum effect.

Until the video cassette is firmly established in your organization as a working tool, no precaution is unimportant.

Program Evaluation

Evaluation of individual video cassette programs is essential to the overall improvement of programming and can sometimes be used in the cost justification of the program. For practical reasons, which will become apparent, the evaluation process must be divided into two tasks – judging professional quality with an eye toward improving future programming, and determining the success of the program in reaching its stated objectives. Feedback is easy; evaluation of cost-effectiveness is more difficult. We'll take the easier task first.

PROGRAM FEEDBACK

TECHNICAL

Is the picture quality satisfactory? ____________________

If not, what detracts? ____________________

____

Did any aspect of the visual presentation impair effectiveness? ____

If so, please describe: ____________________

____

Is the audio quality satisfactory? ____________________

If not, please describe: ____________________

Are the titles, charts, or graphics legible? ____________________

If not, which? ____________________

Do any technical aspects of the program detract from its effectiveness? ____________________

If so, which? ____________________

Overall, is the technical quality adequate for this program? ______

PRESENTATION

Does the program adequately cover the material it sets out to present? ____________________

If not, please suggest what's lacking: ____________________

Does the program confront the subject in an appropriate manner?

____

If not, please suggest shortcomings or alternatives: __________

____

Is the program too long? ______________ too short? __________

Is the information discussed too technical? ____________________

If so, which subjects? ____________________

____

Are adequate definitions or explanations provided for unfamiliar subjects or ideas? ____________________

If not, which should be better described? ____________________

____

Did the program introduce itself adequately? ________________

Is the program repetitive? ________________

If so, which subjects? ________________

Does the program indicate a source for questions about the subject? ________________

Are the supporting visual materials (charts, graphics, etc.) clear? __________. too few? ________ too many? ________

inappropriate? ________ If so, which ones? ________________

Could the program profit from more summary? ________________

Does the program seem natural in tone? ________________

Stiff? ________________ Artificial? ________________

If either of the above, why? ________________

____

Does the program include the appropriate people to handle the material? ________________

If not, who should have been included? ________________

____

Should this material be included in future video cassettes? ______

____

If not, why? ________________

____

Could the information have been presented more appropriately in another way? ____________ (e.g., print, personal visit, letter, etc.)

If so, how? ________________

____

What do you regard as the program's objective? ________________

____

Is it worth the time you spent viewing? ________________

Do you think the program can be meaningfully shown to other employees? ________________

Is the program appropriate for a particular group? ________________

If so, whom? ________________

* * * * *

Obtaining feedback about production quality can be accomplished with a questionnaire routinely completed by a sample of viewers. A given audience has basic standards for television which must be met if any program is to be effective. These standards vary for different audiences and for different subjects. A president's address, for example, evokes different expectations than does a routine tape on safety. To discover and meet these expectations, you need audience feedback.

A standard questionnaire is inexpensive to create, administer, and tabulate; yet it can be quite useful in gathering meaningful data. Audiences become more specific in their criticism as their familiarity with the evaluation grows. A selection of the questions on pp. 102-103 can be reproduced on a single side of one sheet of paper. The opposite side can contain questions relating to objective fulfillment. Not every questionnaire need be this detailed, but the sample shown here suggests the breadth of information that might be elicited.

A program is good technically if it does not draw attention to the various aspects of production. What goes unnoticed goes well; a good program is the one that keeps audience attention on the subject and the people, not on matters of production. The few questions listed under the heading "Technical" in the questionnaire can identify the problems that impair program effectiveness, while helping the company to assess overall quality requirements and production performance.

The overall presentation is, of course, the result of many decisions made on the part of the producer and the participants. How technical should the program be? What terms need explanation? How much graphic support is necessary? How much summary should be included? The standard questionnaire provides feedback on all of these subjects.

Too many fingers in the evaluation pie can result in a meaningless oversupply of information. In one company, getting feedback is no longer even attempted because of the time wasted in a previous series of projects. Whenever a tape for general corporate distribution was sent out, each division created its own survey. The resulting data could not be tabulated.

Feedback Can Provide Cost-Justification

In a few happy cases viewer feedback can provide confirmation of cost-justification in addition to improving programming. An oil company regularly sent managers to a five-day lecture series given by an outside expert in seismology. The cost, not including the travel fees of the participants, was $180,000! The company had paid this fee four times previously for up to 40 participants each time, which worked out to a cost of $4,500 per student. This time it elected to tape the session, at a cost of $38,000 for the video production and a $29,000 fee for internal reproduction rights to the text materials. Comparing this to the cost of $4,500 for each participant, the taped version would be justified when 15 people had taken the video course — provided that the tapes were a comparable substitute for the live course.

The question to be answered in evaluation was simple: how does this program compare with the live lecture series? The question was posed through standard questions on the format such as, What do you regard as the program's objective? and, Does the program achieve this objective? On the back of the questionnaire the question was stated more directly: Is this program a comparable substitute for the live lecture series? The response — both from managers who had attended the lecture and from those who had only viewed the tape — was a clear yes. Furthermore, some managers who had attended both the lecture and the video viewing believed the cassette to be superior because the program could be stopped at complex points. In this case, the audience's reaction to a program demonstrated the cost-justification.

An audience questionnaire can sometimes — but not usually — provide evidence of a program's success in fulfilling objectives. How, for example, is the fractional contribution of a video tape to the reception of a new marketing manual determined when the manual's launching includes letters, memos, and meetings as well? Evaluation of this kind is not impossible, but it cannot always be relied upon to provide cost-justification.

In these cases, cost-justification must be carefully laid out during the program planning stage. Evaluation becomes a matter of finding indications rather than proofs. The standard questions on the program feedback questionnaire can provide some clues to the program's effectiveness: "Should similar programming be conducted in the future? Was it worth your time? Would you recommend the program to other employees?" By eliciting both employees' own reaction and their views on how co-workers will react, you can better understand a program's real impact.

Programs which have as their objective a direct effect on an operating problem can sometimes be evaluated by looking at actual results. Take the case of a video program on health benefits. It's not unusual for a compensation department to keep records of routine administrative problems resulting from misinformation about the health plan. Provided that no major changes in the plan are instituted from the time the video program goes into use, the incidence of problems can be monitored over a period of months. These findings can, in some cases, provide sufficient feedback to justify program expenditure. Even so, this sort of measurement does not reflect the full value of the video cassette, only its measureable value.

Beware of the distinction. It may be tempting to pursue projects which, on the basis of a simple evaluation process, can prove their cost effectiveness. But producing only the most cost-justifiable programs serves to keep television from performing some of its most effective roles. The challenge is not to restrict television to what can be measured, but rather to expand systems of measurement to encompass the real capabilities of the medium.

X
Story Of A Program:
Your Health

The preceding chapters have considered some of the planning, revisions, production techniques, and securing of management approval, that go into the crafting of a video program. Now it's appropriate to bring those various steps together in the case of a specific production, a program called "Your Health."

Reason For Doing the Program

Every large corporation faces the problem of explaining complex benefits plans to employees. In more than one company, using video to do the job has seemed a logical approach. The trick is to explain complex benefits programs in a way that holds audience attention. Plan booklets do not make engaging reading, and a video recitation of the same information would neither hold the audience nor transmit the decided facts. Yet one company succeeded in explaining health benefits with a video program.

The company in question had ranked benefits explanation as a priority for video programming. Its cost-justification was simple: the program would result in savings to the company by reducing administrative problems caused by misinformation and by eliminating much of the supervisory time spent repeating benefits briefings for each new group of employees.

Of no less potential value to the corporation was the expected impact of the program upon employee attitudes (including those of managers). This company, like most others, spends a third of its compensation dollars on benefits, yet few employees actually appreciate the value of the company's contribution to their welfare. By communicating what benefits are actually provided, the company sought a better return on the substantial sums it was investing.

Developing the Program Concept

The first suggestion for the program concept was straight down the path of least resistance: the top manager would present his standard benefits explanation, aided by television graphics. A little thinking, however, raised serious doubts about such a program; a management lecture on medical benefits could be expected to strike oil rig workers as just one more piece of company propaganda. Also, few viewers would pay enough attention to absorb such complicated information.

Research into the actual medical plan revealed that the policy was strong. Coverage was comprehensive and offered at extremely low rates; the policy could stand up to tough questioning. In fact, the information booklet describing the plan included a question and answer section. So why not go one step further and submit the policy to tough questioning on television? This sounded good on paper. Where in a corporation, however, can you find a person who will actually go on camera to voice skeptical feelings about the company health policy? People do not take such chances with their careers unless, of course, the program makes clear that it is a role-playing situation. And in that case, the audience, aware of the program's artificiality, has difficulty sensing the immediacy of the tape to their own lives.

The producer found a way of presenting such a skeptic — using a cartoon character whose image appears on a television screen and who can actually hold a conversation with people who are watching the set. The character would question actual company benefits people about the plan, asking the toughest questions. Those questions would be scripted, but the answers would be the unscripted, spontaneous answers from people who worked with the policy.

The lightness and novelty of the cartoon character would contribute to the audience interest in the program, in addition to providing the vehicle for tough questioning. And the presentation would be made more powerful by including mini-documentary interviews with employees who had used the policy, thus reinforcing credibility. Where warranted, graphics would help convey complex ideas. The result, the producer hoped, would be a complete description of the policy; an engaging, understandable, and believable statement of the corporation's commitment to the welfare of its employees.

The producer outlined the entire health policy, placing all information on a single page as follows:

A. General terms of policy:

Voluntary, comprehensive health care plan for employee and family, with broad range of services.

B. What is covered:

Hospital; doctor; nurse; lab test; X-ray; anesthesia; oxygen; hospital bed or wheelchair; surgical supplies and appliances; in-howpital medicines; injections; pregnancy (new-born exclusion); oral surgery; emergency transportation; psychiatrist; special treatment center; sterilization.

C. How the plan pays:

Deductible
*Benefit period
*In full reimbursement
$500 maximum
*Psychiatric costs
Common accident
Employee cost

D. Who is eligible:

Employee
Spouse
Children under 19, unmarried
Mentally retarded or physically handicapped children
*Sponsored dependents

E. Enrollment procedure:

Enrollment form
Start of coverage
*Dependency status changes
End of coverage
Coordination of benefits

F. Actual claim situation:

Forms
Method of payment

This outline was approved as an adequate summary of the plan. The asterisks indicate parts of the policy which caused the greatest number of administrative problems. Emphasis would be given to these sections as the script developed. While researching the program, the producer discovered a problem: the health policy rates were adjusted approximately every six months because of union contract negotiations. How could the program both maintain shelf life and still communicate the current value of the policy? The answer was a current Health Information Sheet which would be coordinated with the video program.

Scripting the Program

As the script was being developed, work began on the documentary interviews. Employees who had benefitted from the plan were spotted from a list of those enrolled. The interviews were catalogued, then included into the script.

The final script contained dialogue between the benefits department personnel and the cartoon character; short sections of the documentary testimonials; and simple graphics to clarify complex parts of the plan. It looked like this:

*Script for: Your Health**

1. CU FRED

On the television screen of the monitor, the entire figure of our cartoon character, Fred Allwell, appears. He speaks directly into the camera.

FRED

Have you seen one of these, yet?

He holds toward the camera a health policy booklet.

I've just started working at the company and I came down here early this morning to find out what the company health plan is all about.

*CU indicates camera close up. MS indicates medium shots. OS means out of shot.

2. INSERT TITLE: YOUR HEALTH

FRED

I've been carrying this little booklet around for three days . . .

3. CU FRED

FRED (Cont'd.)

. . . and at this point, I'm not sure whether they pay you off by check or by turnip. I've come down here to get some answers.

He walks back and forth across the screen.

I mean, suppose something incredible happens to me, like I get my foot stuck to some gum that is stuck to an escalator step and I come out of the whole thing with my head looking like this.

On the last word, he points to his head which assumes an accordion shape.

And the cost these days of getting it to look like this again . . .

On the word "this" he points to his head, which assumes its original shape.

. . . is probably more than I can afford. But the only thing I can tell you is that I'm going to find out the story, so here I am.

Later, when the two benefits people had arrived, the program continued.

7. CU FRED

FRED

Well, so basically just what is the Group Policy No. XM 39222679999?

With each "9", Fred's head jerks mechanically. He reads quickly from the booklet cover.

Covering active and retired employees of the company . . .

Pull back to reveal that the TV set on which Fred appears sitting is in the office.

. . . hereinafter called the policyholder underwritten by etc., etc.

8. CU FRED

FRED

What's all this about, anyway?

9. INSERT TESTIMONIAL 61

EMPLOYEE

On the night of April 27, I had a problem, a blockage of the heart, not what we normally think of as a blockage of the heart which is the blockage of the blood, but a blockage of the electrical impulses to the heart. I was rushed by ambulance to Dallas where a temporary pacemaker was inserted that evening. Later I was returned by ambulance where a permanent pacemaker was installed. The insurance covered all of my problems.

10. BENEFITS OFFICE/ MS MAN

The benefits man is seated at his desk.

MAN

The plan is a voluntary, comprehensive program which guarantees that you will be able to afford complete health care for yourself and your family.

11. CU FRED

FRED

So what do you call "health care"? A band-aid and a hot towel?

12. TESTIMONIAL #1 Cont'd

EMPLOYEE

Of course when you're in a cardiac care unit for 40 days at $120 day, the medical bills pile up. I can't say enough for the kind of insurance we have . . . . The insurance covered all of my expenses.

13. BENEFITS OFFICE/ MS WOMAN

WOMAN

The plan covers almost everything ranging from a doctor's house calls to radiation therapy and major surgery.

Camera zooms in.

Whenever you or a member of your family needs medical care because of an accident, sickness, or even pregnancy, we can help you pay nearly every type of medical expense. It's comprehensive.

FRED

Okay.

14. MS FRED

FRED

But what *exactly* does it pay for, what do you really get out of this?

15. MS MAN

MAN

Hospital services, first of all.

And so on, through doctors' services, nursing care, X-rays, and tests. The more complex parts of the policy were elucidated through a combination of voice-over narration by the benefits representatives and graphic summaries. For example, the complex method of policy payout was explained in dialog between Fred and the woman several times. Then it was summarized:

84. CU FRED

FRED

Okay. I'm catching on. Just give me a review of the way it works.

85. INSERT TITLE: 1. You pay bills for covered expenses which exceed your deductible (within any six month period).

MAN (OS)

First, you pay bills for covered expenses which exceed your deductible. At that point . . .

86. INSERT TITLE: 2. You begin a benefit period (lasts one year).

MAN (Cont'd)

. . . you begin a benefit period which lasts one year, during which . . .

87. INSERT TITLE: 3. Company pays 100% of covered expenses up to "In Full Reimbursement" amount.

MAN (Cont'd)

. . . the company pays 100% of your covered expenses up to the point at which the "In Full Reimbursement" amount has been reached. Then . . .

88. INSERT TITLE: 4. You pay 20% of expenses during remainder of benefit period.

MAN (Cont'd)

. . . you are responsible for 20% of your expenses during the remainder of the benefit period and the company will pay 80% of those expenses. When the one year benefit period is over . . .

89. INSERT TITLE: 5. You exceed deductible amount and begin another benefit period.

MAN (Cont'd)

. . . you then must exceed your deductible amount again in order to begin another benefit period. The process starts again.

90. BENEFITS OFFICE/ MAN, WOMAN, FRED

FRED (With sincerity)

I think I have the basics down. And can I get somebody to explain this to me whenever I need a refresher?

Here is how the current Health Information Sheet was introduced into the script.

95. CU FRED

FRED

I like what I hear . . .

96. MAN, WOMAN, FRED

FRED (Cont'd)

. . . but somebody has got to pay for all of this. The only people who give money away all work for the government. This doesn't just all fall out of the sky. I'm sure I can't afford something like this. Not yet, at least.

MAN

It's quite a bit cheaper than you think. You see, the company pays most of the cost–

97. CU FRED

FRED

You mean they have some penny ante arrangement while I have to pay through the nose?

98. MAN, WOMAN

The man hands a piece of paper toward the monitor.

MAN

Here, take a look at our current Health Information Sheet. The rates are right there in black and white.

DELAY . . .AUDIENCE READS SHEET.

99. CU FRED

Fred reads the sheet, his eyes popping out.

MAN (OS)

You can see that even in your category – two or more dependents – the cost is low . . .

FRED

I don't believe this. You're not selling *real* insurance at this price.

100. CU MAN

MAN

All the coverage we've described is available at the cost you see on that piece of paper.

Testimonials were included at various points in the script to provide strong support for the policy. At the conclusion, Fred had a comical accident and was told how the plan would compensate him. As he considers the value of the policy, the testimonials return.

165. INSERT TESTIMONIAL #2

EMPLOYEE

It was a big relief off our minds.

166. INSERT TESTIMONIAL #3

EMPLOYEE

It's been a lifesaver for our family, as far as cost is concerned.

167. INSERT TESTIMONIAL #4

EMPLOYEE

It does relieve your mind of the horrible obligation of medical expense.

168. CU FRED

FRED

So what you've been trying to tell me all along is that the company actually does care about what happens to me and my family.

169. CU MAN

MAN

Yes, we do.

The completed script was submitted for approval to the information experts — those most familiar with the policy — as well as to the senior compensation people. Both information and company image were considered in their evaluation.

How It Got Produced

The next question was, How should the program be produced? Actual employees could not be expected to memorize and deliver the entire script the producer had written. Nor would such an amateurish delivery accomplish much other than to make employee audiences uncomfortable.

Two benefits representatives, Carol and Bob, who had experience on camera were chosen. The strategy was to slowly acclimate them to the material in the show and to the actual taping situation. The information outline developed by the producer was given to them for study. They got no script, however; halting responses were to be preferred to stiffly delivered script reading whether from cue card, teleprompter, or memory. The producer decided to proceed slowly through the actual taping session, have the character ask question after question, and wait for a response. The producer himself would direct the proceedings, cueing the cartoon character on his lines, coaching the employees as would prove necessary.

The producer hedged his bet in one respect: should the benefits people have trouble conveying particular sections of material spontaneously, he was willing to have them deliver that information from a script. Cover shots, graphics, and other tricks would be used to mask any necessary reading of complex details.

Spontaneous nonscripted responses could be edited together with the scripted sections.

In the studio, the first run-through of the questions was disastrous. Each question in the script was asked and not one usable response was obtained from Carol or Bob. The aggressiveness of the cartoon character, the glare of the lights, and the stare of the camera made the employees nervous.

The producer relaxed the situation by having the pair help out by doing the voice-over narration sections which were not on camera. These were easily handled. About halfway through the second take of the material, Carol and Bob came alive. They actually began to talk to Fred. The conversation would start with a question from the script and then develop on its own through three or four interchanges. The producer would then tap the shoulder of the puppet operator and without loss of pace, the operator would ask another question from the script.

Every three or four minutes, the taping would stop and the stage manager would discuss the information which would be covered next. Some sections would be repeated. In the control room, an associate producer monitored all information and made extensive notes which would guide subsequent run-throughs.

On the fourth pass the employees completed all material. Every question from Fred had been asked and answered adequately at some point on the tape. No graphics were shot at that time; everything was left to the edit.

The 2-inch production tape was then transferred to 3/4-inch time-coded cassette for the paper edit process. Working from a complete catalog that ran to 25 pages, the writer/producer pieced together the various sections – some of them only a few seconds long – with the aid of an 8 x 10-foot corkboard. Slowly the many pieces came together into the best approximation of the program as originally conceived.

The complete paper edit blueprint stipulated exactly which sections of tapes were to be joined. (Appendix B shows this blueprint.) The final program required two full days of editing on a computer system. Material had to be collected from each of seven production reels, and graphics had to be inserted with cameras. The final program ran 30 minutes, was indexed by sections, and submitted for approval.

Reaction to the Program

Initial reaction was mixed; the program was *different*. Testing was conducted with different audiences in the company. New employees and high technology R&D personnel viewed and evaluated the program, using questionnaires. The results were unquestionable; employees enjoyed the program, understood their benefits better, and felt confident about what the company was doing for them. Based on their reactions, the company decided to go ahead with additional programs to explain the rest of the benefits plan.

XI
Beyond Messages:
A Video Library for Management

The first challenge to the video department in a company is to get television up and running as a device for sending functional messages which seize the attention of those on the receiving end. The program on health benefits is an example of a message that badly needed sending. And one that was appreciated by those who got the word.

Does television in the corporation have a role beyond this sending of messages? It could be. The information explosion has buried managers in more information than they know how to use. The problem is first to transfer sufficient knowledge to managers to enable them to work efficiently with information, and then to link them with what they need to know.

When coordinated with other information systems within a corporation, television can help provide the manager not only with the right information but with the ideas he needs to make sense of that information.

Suppose a manager with a limited background in accounting takes responsibility for a company manufacturing operation overseas. How does he deal with this gap in knowledge? There are procedures for reporting and control, financial accounting, and capital budgeting about which he knows little. He is offered only a few choices. He can phone a superior and ask an embarrassing question. He can phone a peer who may or may not be able to answer his questions. He can tackle sections of the 600-page accounting manual, and still wind up with no idea of how the system works. He can dig out his texts from business school, uncertain even if the company's basic philosophy is consistent with the viewpoint of his text.

Taking all of these alternatives into account, he can see that attacking the problem is likely to be a frustrating waste of time. Ironically, the corporation has information on virtually every accounting matter which could possibly affect our manager in his new job. Somewhere within the policy manuals, the books in the library, memoranda, consulting studies, printouts, and other materials are all the basic ideas and information he needs. Yet none of his real alternatives really puts those resources at his disposal. Television, together with some comprehensive planning, might change this picture.

An Ideal Library in Action

Suppose, once overseas, the new manager has to come to grips with a problem in reporting procedures. He confronts the limitations of his own accounting background. He's not sure he has a problem. He knows only that he needs to know more about accounting. Certainly, he needs help.

He proceeds to the management library catalog. Under "Accounting" he finds a breakdown of the subjects into various topics. He chooses a four-page printed outline of the subject, "Controls for Offshore Operations," and a nine-minute video cassette which is designed as a current policy introduction. He slides the cassette into the playback machine.

The executive vice president in charge of corporate administration appears on the screen, presents an overview, and gives the rationale behind the current reporting policies for offshore groups. The VP discusses current problem areas, delineating the lines of responsibility as well as the materials which support this policy. The program listing in the catalog includes references to other materials; these references are divided into subject areas.

Our manager watches the nine-minute program and then examines the reference materials. He pulls a second tape from the shelf–"Offshore Operating Controls–A Case Study." He watches this 60-minute cassette, stopping the tape when directed in order to read short articles included in the program guide. Full details of the case study are supplied on paper – not on the screen. He finishes the program, and jots down titles for other reference materials which he can request by phone and which will arrive by mail within days. The manager knows that in less than a month (without deranging his schedule), he can learn what he needs to know about the corporation's reporting system. He decides to begin watching a lecture each day from the accounting series developed in cooperation with a leading business school whose summer sessions he had once attended. After accounting, he could go on to a marketing course that is also available. "Being way out here might not be quite so much of a trial after all," he thinks.

This television information library is a system planner's ideal: one functional resource to help management. Think of the possibilities when all corporate offices contain terminals with video screens, printers, access to a computerized "Management Library" data base.

Of course, the economics aren't right yet for this computer-video system. But a start on the management library might be made nonetheless. A needs analysis will enable the company to see what areas of policy most require explanation. Then a time-table can be drawn up for producing the key introductory programs, and later for filling in the missing pieces.

The important distinction between this use of video and what was discussed earlier in the book is that the management library is for reference information, not for immediate messages.

With the library, a manager can approach a subject area in a master catalog and find the subject broken down into policy and procedure. Programs are listed by subject and individual programs are indexed. Print materials are made available to the user according to the same library system. Individual programs can be developed with the overall plan in mind.

There's more to a library than a plan, but a comprehensive plan is necessary for individual program development. A good system prevents overlapping or duplication of efforts. This overview design constitutes a long-range plan for video. We stress "long range." Corporate libraries with real resource value are not simply bought. Like cathedrals, they are built over a period of years, according to a plan.

What follows is a description of one library system which answers the needs of one particular company. The model is not generic; there is no such thing. But many of the model's features have wider applications.

The Management Library for a $5 Billion Corporation

This model company is involved worldwide with the production and marketing of over 1,000 products. Although the company is composed of more than 20 divisions, policy and procedure are established at corporate level. Size, dispersion, and diversity of operations make company operating efficiency dependent upon the ability to implement decisions and policies in a reasonable time. The problems of implementation argue for a video resource communications system.

The first step in designing the library was to perform a communications needs analysis. By doing this, it was possible to show top management how the video project would develop over the course of five years.

The next step was to arrive at a design scheme that would fit the company's needs. Much of the use of video in this centralized company applied to virtually all operating units. Therefore, the corporation could clearly establish a core library which would be pertinent to every operating group. In addition, individual operating groups had specific information needs. For this company's library, the distinction was basic: *generic* information applicable to the entire corporation would be separate from *specific* information applicable to an individual group.

The library designers might have chosen to arrange the materials by organizational structure, or by function of the cassette (e.g., management communications, employee training), or chronologically (in the order in which programs were produced). None of these schemes seemed quite right. Instead, the designers chose to develop a system from basic areas of business knowledge and information within the company. Some of the subject areas cut across organizational lines, others did not, but the structure could accommodate all anticipated video programming. Before arriving at the basic categories for knowledge and information listed below, the designers investigated the compatibility of the system with various corporate information systems. The final library indexing system was as follows:

Management Library For A Centralized Multinational

000 *Corporate*

Business Philosophy
Organizational Philosophy
Corporate Reports to Employees
Corporate Reports to Security Analysts

100 *Administration*

Accounting Policy
Financial Policy
Planning and Budgeting
External Input:* Financial Management and Control

200 *Research and Development*

Updates and Current Research
Status and Trends of Product Development
External Input: State of the Art Reports

300 *Manufacturing*

Description of Manufacturing Capabilities and Relationships
Inter-group programs
Make/Buy Decisions
External Input: Production Engineering

400 *Marketing*

Corporate Policy and Services
Product Catalog
External Input: International Marketing Strategies

500 *The External Environment*

Public Affairs
Economic Outlook
Business Outlook
Corporate Legal Entity
Programs Prepared Domestically: Patents, Product Liability
Critical Issues
External Input: Economics; Government Relationships; International Currency Considerations

*Consultants; Institutes; Universities; Technical Centers

600	*Human Resources*
	Organizational Planning and Development
	Personnel Relations
	Orientation
	Recruiting
	Communications
	Succession Planning
	Operating Regulations Pertaining to Employees (by country)
	Corporate Safety Policy
	External Input: E.E.O.C.; O.S.H.A.; M.B.O.
700	*Unassigned*
	(To be assigned as business or staffs expand and new categories evolve.)
800	*Unassigned*
900	*Unassigned*
1000	*Operating Groups*
1030	*Aviation Group*
1031	Group Administration
1032	Group Engineering
1033	Group Manufacturing
	Training
	Safety
1034	Group Marketing
	Product Catalog
	Sales Training
1035	Unassigned

This library design encompasses both corporate and group topics. All management development and continuing education materials within the company are made available to the manager through the same reference system. A few words will illustrate the contents of some of the major categories.

Corporate. This category is for both internal and external communications between the president's or chairman's office and various audiences such as employees, shareholders, securities analysts, and the public.

Administration. The bulk of the corporation's generic policy is contained in this section. The video programs are keyed to the actual policy manuals, providing an introduction to such topics as corporate accounting and financial policies.

Research and Development. Corporate technology research departments will maintain close contact with university and technical centers through video journals. These video journals can transport current developments to the corporation more quickly than is possible with printed journals.

Manufacturing. Programs describe corporate policy affecting manufacturing operations, stressing the criteria for capital expenditures.

Marketing. The company's basic marketing strategy is a generic corporate approach. The marketing manual is complemented by a program which explains the fundamentals of analysis and strategy and which demonstrates top management's commitment to the approach.

The External Environment. This category contains information and ideas relating to the world in which the corporation operates. Economic and legal developments which have impact upon the corporation are discussed.

Human Resources. An introduction presents management's basic policy regarding organizational planning and personnel relations. Follow-up programs regarding employee communications then explore the areas of orientation, benefits, and training.

1000. Each of the various operating groups creates library designs based on results of its independent needs analysis.

A company more decentralized than this model company could use a subject-oriented structure, too. Decentralization affects only the relative sizes of the corporate and group libraries.

The more decentralized a company is, the larger the group library and the smaller the corporate library core. Since programs are organized according to subject, they do not become obsolete when divisions reorganize.

The impact of video will depend in the long run on whether or not television, coupled with vital printed materials, can become part of a coherent information system. An effective video department is not measured simply by its ability to produce television programs. It should be judged like any other actual business system within the company. A video system should save costs by implementing policies faster, should develop managers without taking them off the job, should make managers more familiar with overall company direction and capabilities, thereby promoting innovative thinking and cooperative action. The advantages are real.

And they are attainable.

XI
In Closing

Today, corporations are hiring more and more people with graduate degrees, not only because of the backgrounds these degrees represent, but because these degrees indicate that the holder knows how to learn.

Self-education is largely what managing is about. In a business climate of accelerating change – in products, services, technologies, and the broader social environment – managers must know how to marshal new information and knowledge daily.

Using Television Well: Some Lessons

We began this book by stating that television can be employed to meet communications objectives in employee communications, management communications, training and development, marketing, and in transmission of special messages. This is a proposition that is easy to assert, less easy to prove. The case of Noxoleum Inc. illustrated how communications problems develop as a company grows – how geographical dispersion, product diversification, and a hierarchical structure all tax management's ability to speak in ways that are understood, and acted upon.

But Noxoleum also showed how a company can seize on video as a superficial solution that actually resolves nothing. For unless communication needs are carefully analyzed, the message defined, and managers prepared to use television properly, then buying a studio full of television hardware is simply throwing money at problems.

In fact, we saw that there is a right way to approach involvement in video. The same processes of analysis and decision-making that apply to other areas of a company's operations must be brought to bear on communications. A firm should determine what its most urgent communications problems are, and whether these are amenable to treatment by television. It must look for dollars and cents payoffs in using television. A company can do much of the initial exploration – including the production and distribution of programs – without investing in a full-blown studio.

Even where a studio becomes justified, we have seen, it is the people who staff it, not the equipment, that make television worthwhile. Successful use of video within the corporation means achieving the level of professionalism that is right for business communications, not for broadcasting. Careful definition of the program concept, research into the intended audience, insistence that each program say something and not merely entertain – these are the hallmarks of a corporate video department that is delivering results.

At the same time, video programming within the corporation must avoid being dull, amateurish, heavy-handed, or merely a repetition of what was formerly delivered in person or by memo. We saw how the various ingredients of successful business television were brought together in a program like "Your Health." Not only did it entertain and instruct, but it achieved the invaluable accomplishment of making employees understand – perhaps for the first time – the full range of benefits that the company provided.

The discussion of a video-based management library gave us a glimpse of what the future may be for television within the corporation. A corporation is like a brain – only a fraction of its knowledge capacity is used. Answers to problems are somewhere within the company itself, but most managers simply don't know to whom they should turn for answers. One major New York bank discovered that of its total of 142 services, the average contact officer was only familiar with six. In college and graduate school the library functioned as this kind of total reference system, but in a corporation there exists no comparable resource.

Improving the flow and availability of information and knowledge within an organization by just 5% could benefit the company enormously. Video can do this.

Implementation — The Real Payoff

One of its most vital contributions is to speed implementation. When it's time to change policies, executives don't want to wait forever to have the organization respond; the costs of slow reaction are high. Implementation time, however, has lengthened seriously as companies have grown more complex and dispersed. Implementation time *can* be significantly shortened — when those in the field understand exactly what the corporate leadership wants. Here is where video provides unequalled combinations of speed and effectiveness. Video has become the CEO's extension, the tool by which he can reach down through levels of management to persuade, to inspire, and to stimulate action.

Video can interconnect a company, organize knowledge, shorten implementation time, bring news and knowledge from the outside in, and yet the question for video is, as it has always been, *cost*. It is more expensive than print communication, although less expensive than a special gathering in a far off city. But does video really have value? How do you measure it in dollars and cents? When widely utilized (see chart), video can compete with the other forms of message delivery a company can employ. Certainly, it is often more efficient than the traveling tour or the regional meeting, and it even competes with the personal business letter. *In modest-sized, mature video systems, the cost per delivered message (color video program) should run less than $100 including amortization of all equipment.*

With both its cost efficiencies and the many needs it can answer, video's survival and growth within the corporation would seem assured. It is not. The value of video, like that of all tools, depends on how the medium is used. The end product is not the video cassette program, but rather the knowledge it imparts and the action it facilitates. Managers are not interested in the full range of television's capabilities and potential; they want to know what it can do for them. The job of corporate video programming is to develop applications which answer needs. Until now, however, technical progress in video has outweighed software innovation. This book is one step toward redressing the balance.

COST OF VIDEO MESSAGE DELIVERY
PER OFFICE*

		Number of Locations							
		20	40	60	80	100	120	140	160
Total	$15,000	$750	$375	$250	$188	$150	$125	$106	$94
Program	$12,500	625	313	208	156	125	104	89	78
Cost	$10,000	500	250	166	125	100	83	71	63
(including	$ 7,500	375	186	125	94	75	63	54	47
distribu-tion)	$ 5,000	250	125	83	63	50	42	36	32

*The total cost of a program can be put into perspective by determining the cost per office of the delivered message. In this chart, we simply have divided a broad range of program costs by a broad range in the number of receiving locations. Achieving such a low *total* program cost as $5000 for a program distributed to 160 locations is, of course, possible only if costs are reduced by such practices as cassette recycling.

Toward More Effective Management

If a manager can help himself become more effective, then he has gained something for himself and his company. If a company can better utilize the knowledge it now commands, then it will be that much more competitive. Any tool that can help insure more consistent communications, that can motivate respondents, that can clarify strategy and tactics, that can demonstrate products and selling techniques, and that can increase understanding between people on a global scale, is a breakthrough of immense proportions for management. Television is such a tool; it needs only to be better adapted to fulfill this promise. When the spectrum of pressures upon corporations and their managers is considered, then the breakthrough seems to have come at a very good time.

Afterword:

Memo to Video Department Managers

You've got the toughest job in corporate communications. The company has commercial TV expectations and all you have is a few crude tools, a couple of cameras, a sometimes-excellent-but-not-always-up-to-snuff VTR, a simple switcher, some lights and cables, and whatever else you can beg, borrow or steal. It is still not enough. Yet at budget time everyone asks, "*Why do you need all that?* It's so expensive!"

So you make the best of a studio that TV stations in the smallest of towns would laugh at. The corporation expects champagne and caviar coverage on a Big Mac budget. They don't like staffing a "service" department, so you have to borrow cameramen or get some part-time help from a nearby campus. You go to conventions and drool at the new goodies and compare notes with fellow sufferers, not really letting on how primitive your equipment is. Still, you are the company's video arm, and supposedly it's what you want to do.

But what if it's not? What if you are the manager who had had the video department pushed under his wing? It's not your chosen career and you are not enamoured with having what appears to be a pale gray or nearly white elephant on your budget. How do you manage and, more importantly, win?

Whether your career is in television communications or in general management – the secret to making the video department a success is not to spend more time with the chairman, but in the field, working with the men and women who make the company go. If the technology is to receive company support, it must have a beneficial effect on revenues and/or cost. You can't do this just by periodically helping the chairman or a division leader to ride one of his favorite communications hobby horses. When a program wastes the company's time, the costs are enormous. Where video is well established, video managers have set up a priority screening process. Some managers whose program ideas are rejected by this screening might just decide to do this with an independent producer. That is their prerogative. Your job is still to see to it that video remains a high priority channel.

As for the perceptions of the participants, it would seem that deep within every manager there lurks a producer, complete with beret and riding crop. You will be told just how to produce his or her show. He will, of course, pay you the compliment that you are the professional video expert, but when it comes to showing his right – not his left – profile, be prepared to hear from him. Some video managers deal with this problem in advance. And it often works.

They hold seminars on using the medium. Good as well as bad (use tact here) examples can help to make the point. Some video departments have even let their managers play with the equipment in a learning situation so that they can better understand how little they know and why it is really the better part of vanity to leave the production to the professionals. This get-acquainted session helps to improve communications, eases the fears of the managers whose anxiety may be approaching scream level, and establishes the routine. It is better to have your manager feel like an old hand before the cameras than like the new boy in school. He feels that the lens staring him in the face just might destroy his career in the company. The trick, of course, is to earn trust. Managers must be assured that you have their best interests at heart, and that you are going to see to it that they come off superbly. It is in your interest.

Blushing managers can also turn into producers once they get in front of the cameras. They are corporate politicians par excellence and will seek to maneuver you and your staff to their advantage. Beware. Managing the system means managing talent – amateur talent – with professional political instincts and experience. Set the video operation up on a professional basis. Let your talent know what is expected of them. Take the lead. Otherwise someone else will take it from you – right in the midst of a show. Managing a video department also calls for concentrating early on the real price of a program, not just the out-of-pocket costs that you quote to management. You have to know what a program costs before you spend all those hidden dollars of G & A, you and your staff's time. Your equipment is being amortized and that too is a cost. You must judge a show against some real value. What's possible? What's political? What's profitable? What gets done? You are the judge.

Finally, having seen a number of corporate television operations, we do think that effective management can result in dramatically increased importance of television in the corporation. Believing that this management job is as challenging and rewarding as any in the corporation is a good way to begin.

System Killers

A checklist of video errors or situations that can demolish your system.

Responsive Only: Are your programs always rescue operations, or do they ever anticipate and prevent problems?

Big Brother Says Now See This: Does the program have a dictatorial or condescending tone?

But Everybody's Watching: Are you falling prey to pressures to make programming more entertaining?

Studio Decay: Did you think that one capital investment could keep a studio maintained? Think again.

We Can't Handle It: Do some departments have an irrational fear of TV? If they won't take the challenge, video is in trouble.

Networkitis: Trying to make a slick production out of simple, honest materials?

Video 101: Don't underproduce, either.

The Studio Blues: Same background for every show? Variety *is* life, where video is concerned.

Talking Heads: Do your programs have something besides chatter to recommend them?

Who's Got the Player? Do you have enough distribution equipment?

Lowest Common Denominator Programming: You can't please all of the people all of the time. Programs acceptable to everyone are probably useful to no one.

Hardwaritis: Are the A/V people dictating your needs?

Obsolescence: Will the set-up be useful in three years?

Let's Play it Safe: Are producers refusing to deal with those difficult issues which video can handle effectively?

The Slide/Film Connection: Is video being used badly by other media?

I Did That One Already: Encourage a continuing management interest in the benefits of video.

The Class Picture: Are people getting put on programs regardless of their abilities to contribute?

Under-Funded or Over-Staffed: Not enough cauldrons are just as bad as too many cooks.

Unclear Objectives and Criteria for Results: Don't forget justification.

Incidental Programming: If programs always come from the periphery and never from the hub of the organization, you're in trouble.

No Follow-Up: The sender has to display some interest when he or she sends out a cassette.

I Can't Be Burdened With Creating: Agreed. Managers should have to exhibit only their own expertise; creativity is the producer/director's gambit.

I Have No Idea What To Do With It: Do your managers understand video's potential?

Programs Set In Concrete Sink: Let the program concept develop fully during the research phase.

I'm Just A Guy Who Can't Say No: Bad programming poisons the well. You've got to drink, too.

Unbalanced Library: Don't let one division hog programming.

The New Memo: Is video overused? Its impact will lessen.

Tell Me About It, But Don't Tell Me All About It: Is the program too long?

Crying Wolf: Misleading title synopses will alienate your audience.

Hush Hush, Sweet Video: Is everything that goes on in the company too proprietary to let video in on it?

Seldom Seen: One or two programs a year are deemed enough. Dust collecting on your players in the field is not seen by management, but when it is, you are the one dusted off.

Appendix A:

From Catalog to Blueprint—The Edit

The model catalog that follows is of an unscripted management discussion of a proposed corporate reorganization. These first three minutes of the shoot were cataloged by adding visual and time code information to a transcript. This added information was recorded by the editor, who viewed the production material over and over, building a record of camera angles and section timings.

A few words of explanation. The three participants at the shoot are sitting at a table. Mr. Crane is sitting to audience left, Mr. Johnson center, and Mr. Montclair right. Two cameras record the discussion, one designated left (L), the other right (R). The abbreviation for close-up is CU. The words "Two Shot" indicate that two of the participants are included in the shot, the words "Three Shot" indicate that all the participants are included in the shot. A "Medium Shot" (MS) indicates that the participant's torso and head are included in the shot, as opposed to the CU, which includes the face only.

The Paper Edit

From the catalog and with repeated screening of the production footage, the editor pieces together segments he wants to use. A blueprint of the program is constructed on paper. This serves as the worksheet for the actual session in the editing studio.

The paper edit blueprint must contain notations as to where effects and graphics will occur and for how long; it must serve logic, and consider pace. There is no point in trying to hit a round number for the length of the program; you're probably cheating your audience if you go for exactly 15, 20, or 30-minute running times.

Time Code	Participant and Content		Picture
00.32	Johnson:	Are we ready to start here? . . . (00.35) I want to share some of the ideas which the division is considering as we move toward reorganization. We've all heard plenty of policy and rumors – today I'd like to let you hear some of the arguments those of us on the commitee are considering. Bob Montclair and Martin Crane are with me – they have been doing the bulk of the planning. (01.05)	Two Shot, Johnson & Montclair LCU, Johnson
01.06	Crane:	I want to bring up the fact that this whole process is nearly 12 years overdue – we've been talking about this so long that the people who started pushing for reorganization have now all retired. And if it goes on any longer. . . . (01.21)	Two Shot, Johnson & Crane LCU, Crane
01.22	Montclair:	That's not going to happen. (01.24)	Two Shot, Johnson & Montclair
01.24	Johnson:	Bob, why don't you give us a summary of the objectives. (01.29)	Three Shot
	Montclair:	Do you want that here in the show?	
	Johnson:	I think so . . . . We'll worry about putting it together in the edit. What about the objectives?	
01.40	Montclair:	We've been trying to catch the company up with the product changes we've had over the past 12 years. We've been trying to decide not just what to do . . . but how to do it without disrupting operations. (02.00)	MS, Montclair

To avoid butting segments and to aid continuity, the editor uses "cover shots" and "audio slips" to cover edits. A cover shot is a shot of anything besides the speaker's lips – a shot from his point of view, a landscape, a shot of the back of his head – that can cover a jump cut. An audio slip can be used when a speaker finishes his remarks and no one speaks for a moment; the audio from the next segment can be slipped during this silence without the accompanying picture at first. Then the visual element is brought in, giving the appearance of a continuous conversation.

The model blueprint that follows condenses the material discussed in the first three minutes of shooting to half the original length. The program opens with a Three Shot that establishes the scene. The leader of the group introduces the topic. The discussion begins without the false starts of the original. Irrelevancies and remarks not intended for inclusion have been removed. No identical camera shots are joined together. The blueprint is a complete record of content. Titles identifying the program and the participants are indicated in the PICTURE column. The segments are all joined by cuts. For each segment, the editor knows 1) the verbal content, with beginning and ending cues; 2) the visual content, with the beginning and ending shots; and 3) the elapsed program time. The verbal content is ready to be read and approved. The visual content can be checked for continuity. The time code information will speed the location of the material on the production reels during editing.

At the actual editing session, all the editor will have to do is call for sections by reading from his blueprint. Studio rental time is minimized. The creativity goes on during the planning of the blueprint, not later. If a potential problem is visible during the paper edit phase, the editor should prepare a contingency plan. On rare occasions, a problem which cannot be solved without program modification or new shooting will crop up during the preparation of the master. The best thing to do in such cases is to pack up your goods, cut your losses, and get out of that studio. You can always come back another day.

But if the blueprint is well-planned, this won't happen.

Blueprint: Divisional Reorganization

Time Code In	Audio		Picture	Time Code Out	Elapsed Time
00.25			Three Shot Title: Proposed reorganization	00.31	00.00 00.06
00.35	Johnson:	I want to share some of the ideas which the division is considering as we move toward reorganization. We've all heard plenty of policy and rumors – today I'd like to let you hear some of the arguments those of us on the committee are considering. Bob Montclair and Martin Crane are with me – they have been doing the bulk of the planning.	Two Shot, Johnson & Montclair Title: Alex Johnson, V.P.	01.05	00.12 00.36
02.17	Crane:	We're changing because of some problems which we can work on – but only if we do things slightly differently.	In: Three Shot Title: Martin Crane Out: RCU Crane	02.35	00.40 00.56
01.24	Johnson:	Bob, why, don't you give us a summary of the objectives.	In: Three Shot Out: Three Shot	01.29	01.01

Blueprint: Divisional Reorganization (Cont'd.)

Time Code In	Audio	Picture	Time Code Out	Elapsed Time
01.40	Montclair: We've been trying to catch the company up with the product changes we've had over the past twelve years. We've been trying to decide not just what to do . . . but how to do it without disrupting operations.	In: MS Mont-clair Title: Robert Montclair		01.10
	Drucker talks about reorganization being like surgery – don't cut unless you have to, and then be careful. Specifically, we want to create business teams that are product oriented, rather than geographically oriented.		02.12	01.42

Appendix B

Blueprint: Your Health

Time Code In	Speaker: Audio		Picture	Time Code Out	Elapsed Time
1.56.09	Fred:	Have you seen this magnum opus they call the company "Health Plan"? I've read it through more times than I care to mention. And at this point I'm not sure whether they pay off by check or by turnip.	CU: Cartoon Character		00.00
			Title: Fred Allwell		00.10
			Title: Your Health		00.30
				1.56.53	00.44
7:15.38	Fred:	Hi, is this where I get all the dope on the company health plan?	CU: Fred LS: Room, 2 benefits counsellors	7.15.54	01.00
7.19.38	Bob:	Yes, how can we help you?	2 shot R&L MS: Woman counsellor Title: Carol Smith		01.02
	Fred:	I've got some questions about this health plan.	LS: Fred, TV MS: Bob	7.19.56	01.18
	Bob:	Yes?			

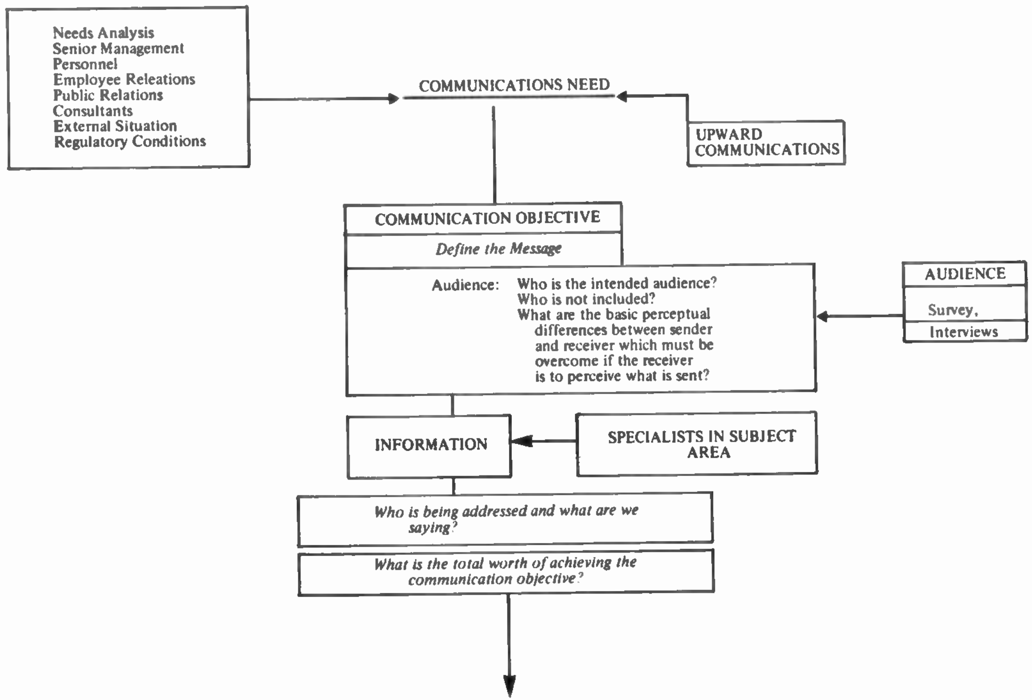
Blueprint: Your Heath (Cont'd.)

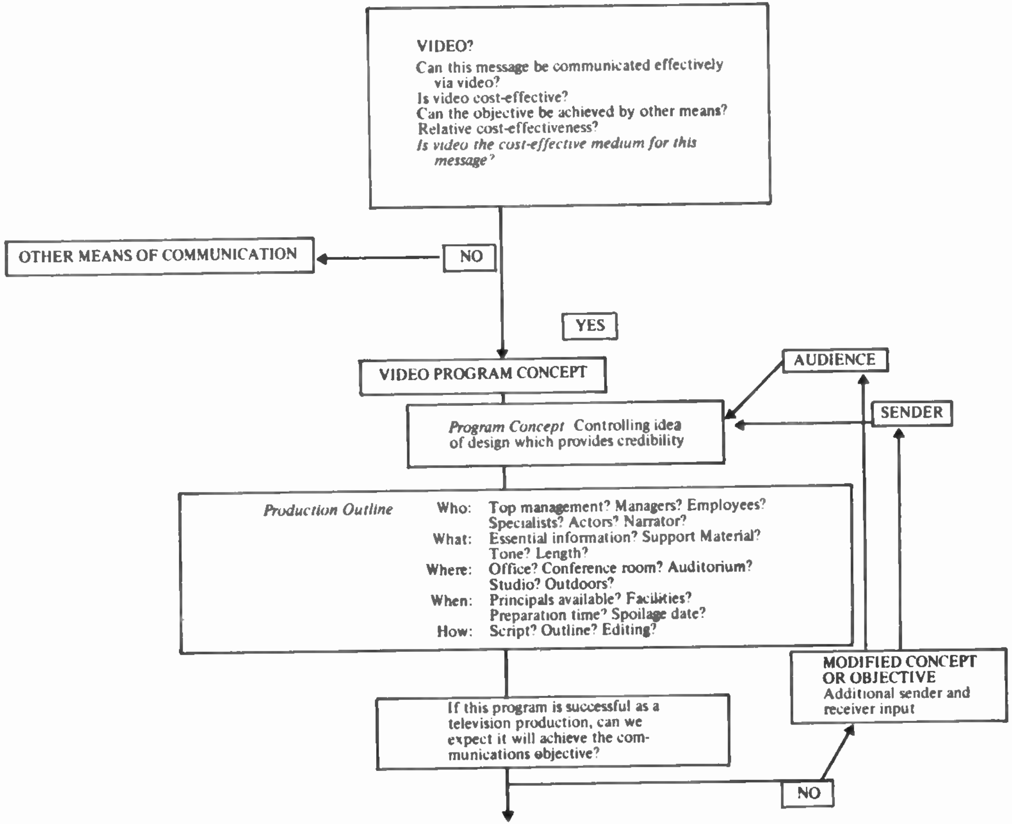
Time Code In	Speaker: Audio		Picture	Time Code Out	Elapsed Time
6.55.59	Fred:	Well, basically – what is this "Group Policy #XM39222679999, covering active and retired employees of the company hereinafter called policyholder . . . ?	CU: Fred LS: Fred, TV	6.56.44	02.03
6.06.00	Man:	(Live testimonial) On the night of April 27 I had a problem, a blockage of the heart – not a blockage of the blood, but of the electrical impulses to the heart. I was rushed	PAN L LS: counsellors CU: Man		
	Man:	(testimonial continued) permanent pacemaker installed. The insurance covered all of my problems.		6.07.37	03.40
0:54.24	Bob:	The Plan is a voluntary, comprehensive program which guarantees that you'll be able to afford complete health care for yourself and your family.	MS: Bob Title: Robert Wagner	0.55.00	03.50 04.16
0.54.25	Fred:	So what do you call "health care"? A band-aid and a hot towel?	CU: Fred	0.54.34	04.25
6.07.48	Man:	(Testimonial, continued) When you're in a cardiac care unit for four days at $120 a day, the medical bills pile up. I can't say enough for the kind of insurance we have. . . . The insurance covered all of my expenses.	CU: Man	6.07.53	04.30

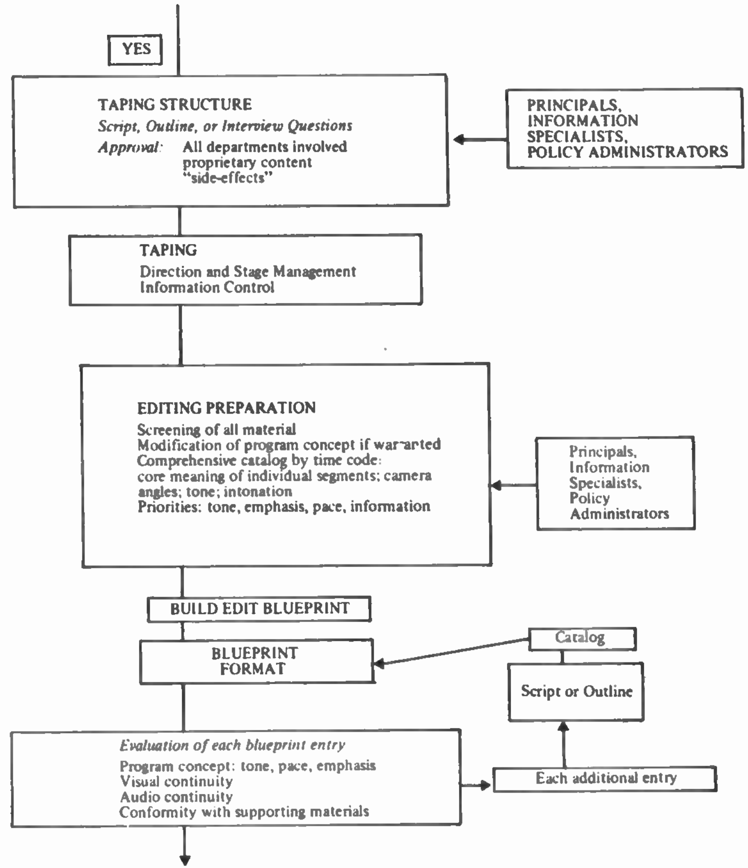
Blueprint: Your Health (Cont'd.)

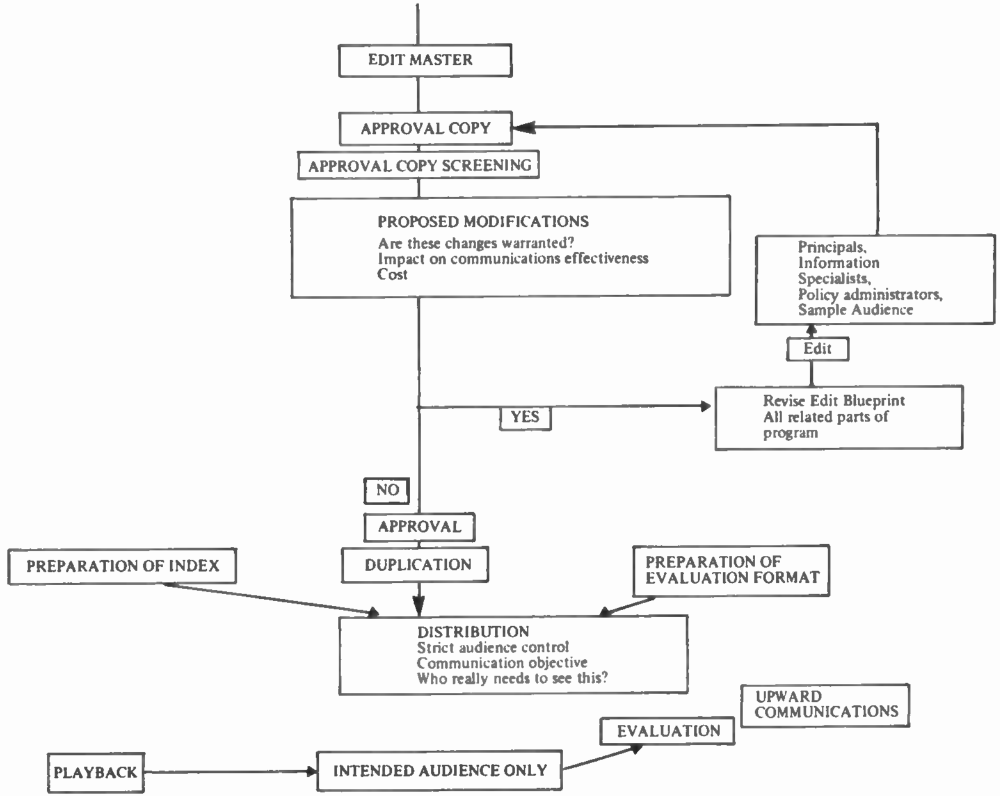
Time Code In	Speaker: Audio		Picture	Time Code Out	Elapsed Time
7.20.11	Joe:	The plan covers almost everything ranging from a doctor's house calls to radiation therapy and major surgery. Whenever you or a member of your family needs medical care because of an accident, or sickness, or even pregnancv, we can help you pay nearly every type of medical expense. It's comprehensive.	MS: Woman at desk	7.20.46	05.05

Typical Program Process


Needs Analysis
Senior Management
Personnel
Employee Releations
Public Relations
Consultants
External Situation
Regulatory Conditions
COMMUNICATIONS NEED
UPWARD COMMUNICATIONS
COMMUNICATION OBJECTIVE
Define the Message
Audience: Who is the intended audience?
Who is not included?
What are the basic perceptual differences between sender and receiver which must be overcome if the receiver is to perceive what is sent?
AUDIENCE
Survey,
Interviews
INFORMATION
SPECIALISTS IN SUBJECT AREA
Who is being addressed and what are we saying?
What is the total worth of achieving the communication objective?


VIDEO?
Can this message be communicated effectively via video?
Is video cost-effective?
Can the objective be achieved by other means?
Relative cost-effectiveness?
Is video the cost-effective medium for this message?
NO
OTHER MEANS OF COMMUNICATION
YES
VIDEO PROGRAM CONCEPT
Program Concept Controlling idea of design which provides credibility
AUDIENCE
SENDER
Production Outline
Who: Top management? Managers? Employees? Specialists? Actors? Narrator?
What: Essential information? Support Material? Tone? Length?
Where: Office? Conference room? Auditorium? Studio? Outdoors?
When: Principals available? Facilities? Preparation time? Spoilage date?
How: Script? Outline? Editing?
MODIFIED CONCEPT OR OBJECTIVE
Additional sender and receiver input
If this program is successful as a television production, can we expect it will achieve the communications objective?
NO


YES
TAPING STRUCTURE
Script, Outline, or Interview Questions
Approval: All departments involved
proprietary content
"side-effects"
PRINCIPALS, INFORMATION SPECIALISTS, POLICY ADMINISTRATORS
TAPING
Direction and Stage Management
Information Control
EDITING PREPARATION
Screening of all material
Modification of program concept if warranted
Comprehensive catalog by time code:
core meaning of individual segments; camera angles; tone; intonation
Priorities: tone, emphasis, pace, information
Principals, Information Specialists, Policy Administrators
BUILD EDIT BLUEPRINT
BLUEPRINT FORMAT
Catalog
Script or Outline
Evaluation of each blueprint entry
Program concept: tone, pace, emphasis
Visual continuity
Audio continuity
Conformity with supporting materials
Each additional entry


EDIT MASTER
APPROVAL COPY
APPROVAL COPY SCREENING
PROPOSED MODIFICATIONS
Are these changes warranted?
Impact on communications effectiveness
Cost
Principals,
Information
Specialists,
Policy administrators,
Sample Audience
Edit
YES
Revise Edit Blueprint
All related parts of
program
NO
APPROVAL
PREPARATION OF INDEX
DUPLICATION
PREPARATION OF
EVALUATION FORMAT
DISTRIBUTION
Strict audience control
Communication objective
Who really needs to see this?
UPWARD
COMMUNICATIONS
EVALUATION
PLAYBACK
INTENDED AUDIENCE ONLY

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