



## **PR 529 Business and Economic Foundations of Public Relations**

**3 Units**

**Spring 2017—Wednesday—6:30-9:10 p.m.**

**Section:** 21532D

**Location:** ASC 230

**Instructor:** Darryl Ryan, MBA, MS.

**Office:** Room or meeting area

**Contact Info:** [darryl.ryan@usc.edu](mailto:darryl.ryan@usc.edu), 213-503-1504

### **I. Course Description**

As public relations and communication are evolving into a discipline that is central to the success of organizations of all types, practitioners increasingly need to be familiar with fundamental aspects of business and economics as they relate to the corporate communication function. To be a valuable counselor to the executive management team and/or clients, PR practitioners need to be conversant in the language of the boardroom.

At the same time, changes in the media landscape and the rise of social media have created a dynamic employment market, lowering the threshold for entrepreneurially minded practitioners to build their own communication firms. This requires a solid understanding of media and consultancy business models.

### **II. Overall Learning Objectives**

Guided by the principle of economic literacy, PR529 focuses on three core themes related to the business and economics of public relations:

1. Core economic principles as they relate to the corporate PR function. Students will examine the impact of macroeconomic developments on business strategy and communication programs of companies and other organizations. They also will learn the language and workings of the business media;
2. “Business 101,” the basic principles that govern businesses, including accounting, finance, human resources, operations, marketing and sales.
3. Financial communications and investor relations including basic such as quarterly earnings announcements and what constitutes a shareholder, but also spanning the lifecycle of a private enterprise from funding announcement to filing for initial public offering to quiet period. This section will discuss investor relations as a specialization of financial public relations. It will explore how the current financial communication environment has evolved in light of the corporate scandals of the early 21<sup>st</sup> Century, such as Enron and World Com;
4. Media entrepreneurship, exploring key entrepreneurial concepts relevant to the new media world. Topics include the entrepreneurial perspective, innovation theory, start-up strategies, business-idea evaluation, introduction to entrepreneurial finance and developing innovative media products and business models.

Students will leave this course prepared to:

- Understand and work within the day-to-day operations of small, medium and large businesses
- Converse on basic macro- and micro-economic topics
- Communicate strategic, planned messages organization-wide
- Execute basic financial communications such as earnings releases and media pitches
- Speak the language of start-up companies

### **III. Assignments and Assessment**

#### Participation in Class Discussions

It is important to attend class and actively participate, since class activities and interaction with peers encourage creative dialogue and diversity of perspective, which helps enhance your learning. It is expected that students will come to class having read/viewed the materials and be prepared to join class discussions, contributing questions and comments. Classes begin promptly, so please arrive on time. If you are unable to attend class for some reason, please notify the instructor as soon as possible, and assume personal responsibility for gathering notes from other classmates. At the end of the semester, points will be allocated to students based upon:

- Consistent demonstration that they have read the material for scheduled class discussion
- Contribution to class discussion; answering questions, asking relevant questions
- Consistent attendance in class in order to participate in and contribute to class discussions
- Demonstrating respect for fellow classmates, guest speakers, and instructor (including appropriate use of personal technologies during classroom time)
- Mature classroom behavior that supports learning

<b>Participation in Class Discussion Grading</b>			
<b>CRITERION</b>	<b>EXEMPLARY</b> 15-13 pts	<b>SATISFACTORY</b> 12-9 pts	<b>UNACCEPTABLE</b> 8-0 pts
<b>Frequency</b>	Frequent contribution to class discussion.	Regular contribution to class discussion	Seldom or no contribution to class discussion
<b>Relevance</b>	Contributions to class directly address key issues, questions, or problems related to the text and the discussion activity.	Contributions to class address key issues, questions, or problems related to the text and the discussion activity, but in some cases only.	Contributions to class do not directly address the question or problem posed by the discussion activities.
<b>Insight</b>	Contributions to class offer original or thoughtful insights, analyses, or observations that demonstrate a strong grasp of concepts and ideas pertaining to the discussion topics.	Contributions to class offer some insight, analysis, or observation to the topic but may not demonstrate a full understanding or knowledge of concepts and ideas pertaining to the discussion topics.	Contributions to class do not offer any significant insight, analysis, or observation related to the topic. No knowledge or understanding is demonstrated regarding concepts and ideas pertaining to the discussion topics.
<b>Support</b>	Contributions to class support all claims and opinions with either rational argument or evidence.	Contributions to class generally support claims and opinions with evidence or argument, but may leave some gaps where unsupported opinions still appear.	Contributions to class do not support their claims with either evidence or argument. The contributions contain largely unsupported opinion.

### Following a Publicly Traded Company

Each student will choose one publicly traded company and will follow their announcements, PR activities and news coverage as it relates to microeconomic or macroeconomic developments. Examples include major personnel announcements, earnings releases and a material crisis. Throughout the semester students will repeatedly be asked to verbally report on their company's news of financial impact, and offer a perspective or post questions. Students will write two brief communiqués (1 – 1.5 pages) on financial information and related PR activities undertaken by the company they follow. The first paper is due in the middle of the semester and the second one at the end of the semester, as noted on the Weekly Breakdown.

Following a Public Company			
CRITERION	EXEMPLARY 10-9 pts	SATISFACTORY 8-5 pts	UNACCEPTABLE 4-1 pts
<b>Relevance</b>	Contributions directly relate the company's news to concepts and issues discussed in class, and highlight the PR implications.	Contributions directly relate the company's news to concepts and issues discussed in class, and highlight the PR implications, but in some cases only.	Contributions do not directly relate the company's news to concepts and issues discussed in class, and highlight the PR implications.
<b>Insight</b>	Contributions offer original or thoughtful insights, analyses, or observations that demonstrate a strong grasps of concepts and ideas pertaining to the discussion topics.	Contributions offer some insight, analysis, or observation to the topic but may not demonstrate a full understanding or knowledge of concepts and ideas pertaining to the discussion topics.	Contributions do not offer any significant insight, analysis, or observation related to the topic. No knowledge or understanding is demonstrated regarding concepts and ideas pertaining to the discussion topics.
<b>Support</b>	Contributions support all claims and opinions with either rational argument or evidence.	Contributions generally support claims and opinions with evidence or argument, but may leave some gaps where unsupported opinions still appear.	Contributions do not support their claims with either evidence or argument. The contributions contain largely unsupported opinion.

### Written Assignments

Throughout the semester, and as outlined in the Course Schedule section below, students will be asked to write three to five page papers on specific topics. As time permits, students will present their work in class.

Writing Assignment Grading				
Component	Exemplary 10-9 pts	Proficient 8-6 pts	Partially Proficient 5-3 pts	Incomplete 2-1 pts
Writing Mechanics, Structure, Organization	Writing mechanics: No grammar, punctuation, or sentence structure errors observed. Structure and Organization: Paper was well organized, did not jump all over the place, and flowed well. Ideas were clear, well devised, and had solid structure so that readers could readily follow along and understand the paper's contents.	Writing mechanics: Minor grammar, punctuation, or sentence structure errors observed (2 or 3 errors). Structure and Organization: Paper was fairly well organized, did not jump all over the place, and flowed in a reasonable manner. Ideas were fairly clear, demonstrated forethought, and were structured in a manner that readers could more or less readily follow along to understand the paper's contents.	Writing mechanics: Grammar, punctuation, and sentence structure errors distract from the presentation of the project (4-6 errors). Structure and Organization: Paper was mediocre in organization. Ideas were not as clear as they could have been, were average in development, and had mediocre structure such that readers might have trouble following along and understanding the paper's contents.	Writing mechanics: Many grammar, punctuation, and sentence structure errors are observed (7 or more). Structure and Organization: Paper was not well organized, jumped all over the place, and flowed poorly. Ideas were unclear, not well devised, and had poor structure so that readers could not readily follow along and understand the paper's contents.

### Midterm Project: Case Analysis

Students will analyze a major economic/business event of choice. Students will deduct how this particular issue obtained prominent media coverage and, choosing the perspective of one of the parties involved, will hypothesize how the public relations efforts of all parties involved may have shaped the outcome (8 - 10 pages).

Apply critical thinking to hypothesize in those instances where insufficient data are available to you, making certain that your hypotheses make sound intellectual and strategic sense. Be sure to cite your research sources and indicate those areas in which you are hypothesizing. Bear in mind you are analyzing a program that has already taken place, not creating a new one (except to the extent that you offer suggested alternative approaches as part of your analysis).

The second component of the midterm will be a written test on basic principles discussed in the first half of the semester.

Midterm Case Analysis Grading				
Objective/Criteria	Exemplary 15 -13 pts	Accomplished 12-10 pts	Developing 9-6 pts	Beginning 5-1 pts
<b>Identification of the Main Issues/Problems</b>	Identifies and understands all of the main issues in the case	Identifies and understands most of the main issues in the case	Identifies and understands some of the issues in the case	Identifies and understands few of the issues in the case
<b>Analysis of the Issues</b>	Insightful and thorough analysis of all of the issues	Thorough analysis of most of the issues	Superficial analysis of some of the issues in the case	Incomplete analysis of the issues
<b>Effective solutions/strategies</b>	Well documented, reasoned and appropriate comments on solutions, or proposals for solutions, to all issues in the case	Appropriate, well thought out comments about solutions, or proposals for solutions, to most of the issues in the case	Superficial and/or inappropriate solutions to some of the issues in the case	Little or no action suggested, and/or inappropriate solutions to all of the issues in the case
<b>Links to course readings and additional research</b>	Excellent research into the issues with clearly documented links to class (and/or outside) readings	Good research and documented links to the material read	Limited research and documented links to any readings	Incomplete research and lacking links to any readings

#### Final Project: Developing a Corporate Communication Campaign

In small groups, students will devise an effective corporate communication campaign for a large company or organization, with the goal of offering thought-leadership on a major issue in the area of macro economics, micro economics or finance. Examples of such topics include taxing US-headquartered companies based on their profits earned abroad; climate change policies and internationally-outsourced manufacturing. Both a full text document (10 – 12 pages) and a presentation based on that document are to be submitted. Each pair of students will present their campaign plan in the final class session of the semester (ca. 20 minutes).

<b>Final Project Grading: Criteria</b>	<b>Points</b>
<ul style="list-style-type: none"> <li>• Student produces sound, thought-provoking analysis grounded in research on a singular organizational area of interest.</li> <li>• Thoroughly examines all pertinent aspects of a given organization with a singular, clear purpose.</li> <li>• Formulates innovative, valid conclusions grounded in empirical evidence.</li> <li>• Effectively delivers engaging, informative multimedia presentation on research findings.</li> <li>• Provides defensible implementation plan for the organization, including themes, messages, channels, sources etc.</li> <li>• Optimally structures and organizes content in written product and presentation.</li> <li>• Delivers professional quality paper and presentation, without grammatical errors, typos, etc.</li> <li>• Accurately cites all source material in accordance with APA style standards.</li> <li>• Meets all posted deadlines for project deliverables.</li> </ul>	Exemplary 15 - 12 pts
<ul style="list-style-type: none"> <li>• Student produces sound, interesting analysis grounded in research on a singular organizational area of interest.</li> <li>• Examines all pertinent aspects of a given organization with a singular, clear purpose.</li> <li>• Formulates innovative conclusions grounded in sound empirical evidence.</li> <li>• Delivers engaging, informative multimedia presentation on research findings.</li> <li>• Effectively structures and organizes content in the written product and the multimedia presentation.</li> <li>• Delivers professional quality paper and presentation, without grammatical errors, typos, etc.</li> <li>• Accurately cites all source material in accordance with APA style standards.</li> <li>• Meets all posted deadlines for project deliverables.</li> </ul>	Satisfactory 11 - 7 pts
<ul style="list-style-type: none"> <li>• Student produces interesting analysis grounded in research on a singular organizational area of interest.</li> <li>• Examines some pertinent aspects of a given organization without identifying a singular, clear purpose.</li> <li>• Paper/presentation lacks in the professional quality and standards expected of today's PR professionals.</li> </ul>	Unacceptable 6 - 0 pts

#### **IV. Grading Breakdown and Scale**

<b>Assignment</b>	<b>Points</b>	<b>% Grade</b>
Class participation	10	10%
Following a public company	15	15%
Written assignments (combined points/percentage for all assignments)	30	30%
Mid-Term	15	15%
Mid semester quiz	5	5%
Final project	15	15%
Final project individual contribution	5	5%
End of semester quiz	5	5%
<b>TOTAL</b>	<b>100</b>	<b>100%</b>

**Scale**

- A** = 92% of points  
**A-** = 90% of points  
**B+** = 88% of points  
**B** = 82% of points  
**B-** = 80% of points  
**C+** = 78% of points  
**C** = 72% of points  
**C-** = 70% of points  
**D+** = 68% of points  
**D** = 62% of points  
**D-** = 60% of points  
**F** = 0-59% of points

**V. Assignment Submission Policy**

- A. All assignments are due on the dates specified. Lacking prior discussion and agreement with the instructor, late assignments will receive a full grade deduction for each day they are late.
- B. Assignments must be submitted via email to the teaching assistant in a Microsoft Word document or Microsoft PowerPoint file. The naming convention for the electronic file is PR 529-Lastname-Assignment number; example: PR 529-Doe-A1.
- C. All papers must be footnoted as appropriate, with a source page at the end as appropriate.

**VI. Required Readings and Supplementary Materials**

- Ragas, Matthew & Culp, Ron: *Business Essentials for Strategic Communicators*, New York 2014
- Other readings will include handouts and articles provided electronically by the instructor.
- It is essential that students stay current with economic trends and developments by regularly publications such as The Economist, Los Angeles Times, New York Times, etc.

**VII. Laptop Policy**

Effective fall 2014, all undergraduate and graduate Annenberg majors and minors will be required to have a PC or Apple laptop that can be used in Annenberg classes. Please refer to the Annenberg [Virtual Commons](#) for more information. To connect to USC's Secure Wireless network, please visit USC's [Information Technology Services](#) website.

**VIII. Course Schedule: A Weekly Breakdown**

**Important note to students:** Be advised that this syllabus is subject to change – and probably will change – based on the progress of the class, news events, and/or guest speaker availability.

	Topics/Daily Activities	Readings and Preparations	Deliverable/ Due Dates
<b>Week 1 Jan 11</b>	<b>Introduction</b> - Logistics - Why this course - Public markets overview	- Reading: Ragas, M & Culp, R: Part I. Introduction to Business Essentials for Communicators, 1- Why Knowledge of "Business 101" Matters	
<b>Week 2 Jan 18</b>	<b>Macro-Economic Principles I</b> - Overview of key economic philosophies - Core terminology - Macro-economic indicators - Public markets overview	- Reading: Ragas, M & Culp, R: 2- Economics and Economic Indicators; 3-Finance and the Stock Market	- Paper: Personal reflection on the importance of economic literacy for public relations professionals. Draw on examples from your own areas of interest or internships

<b>Week 3</b> <b>Jan 25</b>	<b>Macro-Economic Principles II</b> - The role of the Fed - The role of the federal government in economic policy - Public and personal debt	- Watch: <a href="#">1929 The Great Crash</a>	
<b>Week 4</b> <b>Feb 1</b>	<b>Macro-Economic Crises</b> - From the Great Depression to the Great Recession - Eurozone and Euro Crisis	- Watch: Frontline <a href="#">Inside the Meltdown</a>	- Paper: citing examples from the Great Depression to the Great Recession, analyze the direct impact public statements had on the markets
<b>Week 5</b> <b>Feb 8</b>	<b>Microeconomics</b> - Introduction to corporations - Corporate functions and departments		
<b>Week 6</b> <b>Feb 15</b>	<b>Business Strategy</b> - What is Strategy? - Overview of key concepts	- Reading: "What is Strategy?" Michael E. Porter, <i>Harvard Business Review</i> , 11 – 12, 1996	
<b>Week 7</b> <b>Feb 22</b>	<b>Marketing Strategy</b> - Market segmentation - Target selection - Product/Brand positioning - The "5 Cs" - The "4 Ps"	- Reading: "Note on Marketing Strategy," Robert J. Dolan, Harvard Business School, #9-598-061, Rev. November 1, 2000;	- Paper: business strategy analysis of the company you follow, referencing concepts discussed in Week 5; 2 – 3 pages, including hyperlinks
<b>Week 8</b> <b>Mar 1</b>	<b>Midterms</b> - Quiz		- Midterm paper
<b>Week 9</b> <b>Mar 8</b>	<b>Financial Communication (I)</b> - Accounting basics - Quarterly earnings announcements - Annual report - SEC filings	- Reading: Ragas, M & Culp, R: 4- <i>Accounting and Financial Statements</i>	
<b>Mar 15</b>	<b>Spring Break. No class.</b>		
<b>Week 10</b> <b>Mar 22</b>	<b>Financial Communication (II)</b> - Communicating with financial markets - Investor relations - Corporate fraud: The Enron case	- Reading: Ragas, M & Culp, R: 5- <i>The Law of Corporate Disclosure</i> - Reading: Ragas, M & Culp, R: 6- <i>Intangible Assets and Nonfinancial Information</i> - Watch: <i>Enron. The Smartest Guys in the Room</i> , 2005	- Paper: answering key questions about the Enron scandal questions will be provided by instructor (2 – 3 pages)
<b>Week 11</b> <b>Mar 29</b>	<b>Innovation Theory</b> - Disruption - Innovator's Dilemma - Case studies (media industry, digital photography)	- Case: Kodak and the Digital Revolution (A), Giovanni Gavetti; Rebecca Henderson; Simona Giorgi Publication Date 11/16, 2004, Revision Date 11/01, 2005	
<b>Week 12</b> <b>Apr 5</b>	<b>Entrepreneurship I</b> - Intro to entrepreneurship - Opportunity recognition - Starting a company - Business models and revenue models	- Reading: <i>Dr. John's Products</i> , Harvard Business Publishing	
<b>Week 13</b> <b>Apr 12</b>	<b>Entrepreneurship II</b> - Dissecting <i>The Social Network</i> - Resources acquisition	- Watch: <i>The Social Network</i>	

	- Of angels, friends & family and VCs		
<b>Week 14 Apr 19</b>	<b>The Business of Public Relations Agencies</b> - Overview of the US PR agency landscape - Agency business model - Managing client budgets	- Research the websites of ten public relations agencies and compare their positioning. Identify commonalities and differences	- Paper: Paper on following your company. Two pages. Reporting on major developments from a corporate/financial public relations perspective. - End of semester quiz
<b>Week 15 April 26</b>	- Project presentations - Course evaluation		- Group presentation
<b>May 3</b>	- No class meeting	- Final exam period	- Final group paper due by 9 p.m.

## IX. Policies and Procedures

### Internships

The value of professional internships as part of the overall educational experience of our students has long been recognized by the School of Journalism. Accordingly, while internships are not required for successful completion of this course, any student enrolled in this course that undertakes and completes an approved, non-paid internship during this semester shall earn academic extra credit herein of an amount equal to 1 percent of the total available semester points for this course. To receive instructor approval, a student must request an internship letter from the Annenberg Career Development Office and bring it to the instructor to sign by the end of the third week of classes. The student must submit the signed letter to the media organization, along with the evaluation form provided by the Career Development Office. The form should be filled out by the intern supervisor and returned to the instructor at the end of the semester. No credit will be given if an evaluation form is not turned into the instructor by the last day of class. Note: The internship must be unpaid and can only be applied to one journalism class.

### Statement on Academic Conduct and Support Systems

#### a. Academic Conduct

##### *Plagiarism*

Presenting someone else's ideas as your own, either verbatim or recast in your own words - is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Section 11, *Behavior Violating University Standards* <https://scampus.usc.edu/b/11-00-behavior-violating-university-standards-and-appropriate-sanctions/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct/>.

##### *USC School of Journalism Policy on Academic Integrity*

The following is the USC Annenberg School of Journalism's policy on academic integrity and repeated in the syllabus for every course in the school:

"Since its founding, the USC School of Journalism has maintained a commitment to the highest standards of ethical conduct and academic excellence. Any student found plagiarizing, fabricating, cheating on examinations, and/or purchasing papers or other assignments faces sanctions ranging from an 'F' on the assignment to dismissal from the School of Journalism. All academic integrity violations will be reported to the office of Student Judicial Affairs & Community Standards (SJACS), as per university policy, as well as journalism school administrators."

In addition, it is assumed that the work you submit for this course is work you have produced entirely by yourself, and has not been previously produced by you for submission in another course or Learning Lab, without approval of the instructor.

## **b. Support Systems**

### *Equity and Diversity*

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the *Office of Equity and Diversity* <http://equity.usc.edu/> or to the *Department of Public Safety* <http://capsnet.usc.edu/department/department-public-safety/online-forms/contact-us>. This is important for the safety of the whole USC community. Another member of the university community - such as a friend, classmate, advisor, or faculty member - can help initiate the report, or can initiate the report on behalf of another person. *The Center for Women and Men* <http://www.usc.edu/student-affairs/cwm/> provides 24/7 confidential support, and the sexual assault resource center webpage <https://sarc.usc.edu/> describes reporting options and other resources.

### *Support with Scholarly Writing*

A number of USC's schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the *American Language Institute* <http://dornsife.usc.edu/ali>, which sponsors courses and workshops specifically for international graduate students.

### *The Office of Disability Services and Programs*

<http://dsp.usc.edu/> provides certification for students with disabilities and helps arrange the relevant accommodations.

Students requesting test-related accommodations will need to share and discuss their DSP recommended accommodation letter/s with their faculty and/or appropriate departmental contact person at least three weeks before the date the accommodations will be needed. Additional time may be needed for final exams. Reasonable exceptions will be considered during the first three weeks of the semester as well as for temporary injuries and for students recently diagnosed. Please note that a reasonable period of time is still required for DSP to review documentation and to make a determination whether a requested accommodation will be appropriate.

### *Stress Management*

Students are under a lot of pressure. If you start to feel overwhelmed, it is important that you reach out for help. A good place to start is the USC Student Counseling Services office at 213-740-7711. The service is confidential, and there is no charge.

### *Emergency Information*

If an officially declared emergency makes travel to campus infeasible, *USC Emergency Information* <http://emergency.usc.edu/> will provide safety and other updates, including ways in which instruction will be continued by means of Blackboard, teleconferencing, and other technology.

## **X. About Your Instructor**

Darryl Ryan is the Vice President of Marketing Communications for Wells Fargo & Company. In this role, Ryan develops communication strategies and execution plans for Wells Fargo's Chief Marketing Officer, creates marketing communications strategies for promotional and public relations campaigns to support revenue and business growth. In addition, he works with the company's senior leadership to develop and manage product positioning, and collaborates on implementing marketing, branding strategy and marketing communications plans for all product launches.

Prior to joining Wells Fargo, Ryan served in senior-level positions with Edison

International/Southern California Edison as Senior Corporate Communications Manager and at Time Warner Cable as Media Relations Director. In these roles, Ryan directed and managed all aspects of communication policy, media relations and public relations strategies, and he served as the spokesperson for all media. Additionally, he managed each company's crisis communications plan, provided high-level strategic PR counsel on issues and programs to key executives, spearheaded new social media platforms and oversaw the work of several outside agencies.

Ryan also served as the press secretary and speechwriter for Los Angeles Mayor Antonio Villaraigosa. During his tenure in the Villaraigosa administration, Ryan worked as the communication manager and advisor to the mayor on issues ranging from transportation, public safety, and economic development, to entertainment, sports business and public works. While serving in this role, Ryan strategically managed the development and implementation of media and communication strategies and communicated the mayor's policies and stances to television, radio and print reporters.

Ryan holds a Bachelor of Arts degree in Political Science and Public Policy from UCLA, a Master of Science degree in Public Relations from Boston University, and a Master of Business Administration (MBA) from the University of Michigan, Ross School of Business.