

THE FUTURE OF LOCAL TELEVISION NEWS: IS THERE A POSSIBLE
STRATEGIC PLANNING APPROACH?

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This study compared the characteristic of strategic planning as used in the corporate world with the planning process used in a sample of television news departments. The purpose was to determine if commonalities exist; in what circumstances, and whether techniques and approaches used for many years by businesses could advance the process of planning in the fast-paced environment of local television news.

In-depth interviews were conducted with a sample of highly experienced local news managers. The results indicated some similarities in planning approaches but suggested significant differences in how the two industries approach key elements of traditional strategic planning. The primary conclusion drawn from the research suggests the local television news industry has informally adapted strategic planning processes to their needs with heavy emphasis on tactical execution.

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INTRODUCTION

Decades ago, the American philosopher, thinker, and educator John Dewey wrote about freedom, choices, and the need for a populace to be educated. Dewey believed that freedom was about making choices and that without that ability there is no freedom. For Dewey, *how* choices were made was key to his concept of freedom and he believed there were two critical elements defining the ability of people to make choices. One was the need for people to be *aware* of what was happening around them and the other was the importance of education, primarily public education, to facilitate that awareness (Dewey, 1931). This thinking led to Dewey's belief that media are at the center of relationships that define a community (Baran & Davis, 2003).

Paul Felix Lazarsfeld, a contemporary of Dewey and an equally influential sociologist and researcher, looked at (among many things) the power of the media and its influence on people. According to Patricia Kendall (1982), once Lazarsfeld immigrated to the United States and was exposed to open information communities, unlike the more closed societies of Europe in his youth, he observed that communication from the mass media seemed to have a greater impact on people's opinions than did interpersonal communication alone. Lazarsfeld's work in communications research and his development of various communication theories during the 20th century resulted in key observations that continue to have an impact on the way audience and communication research is understood today.

In the 1940s, Lazarsfeld conducted research that determined the media were not the heavy-handed tools that converted people's thinking. This new view of media, known as the "limited effects" theory, suggested that media has a minimal or limited role in directly influencing people and led to Lazarsfeld's theory of the two-step flow which suggested that it was less the case of the media influencing the public directly than it was the media that influenced opinion leaders who, in turn, influenced the general public. This, he maintained, had measurable impact. Using this idea, Lazarsfeld suggested that opinion leaders who were well-informed passed on information or messages to opinion followers. As such, the heavy media users¹ helped influence the less informed (Baran & Davis, 2003). The content of *what* the media was producing thus became key to the messages received and transmitted by the opinion leaders. In 1954, Lazarsfeld delivered a lecture in Idaho outlining one more critical role for the media in a developing society. At the time of the American Revolution, Lazarsfeld described a two-sided relationship between the citizens and the government. With the advent of the mass media in the 20th century, that relationship developed into a more complex triangle. In this configuration, citizens and government still each occupied a vertex of the triangle but Lazarsfeld now introduced the communications industry as the third vertex. The addition of the communications industry and the information stream it produced to the already

¹ According to Baran and Davis, Lazarsfeld believed the heaviest users of media were those who sought out opinions opposite to their own. These people used the media extensively for informational purposes.

established relationship between government and citizens led to what Lazarsfeld called surprising alliances that shifted depending on the issues at hand (Kendall, 1982).

The role of a generally unrestricted media as being fundamental to a free society gained political as well as social acceptance early in the growth of the United States with the Bill of Rights. In 2002, Executive Director of the Center for Media Freedom and Responsibility, Melinda Quintos de Jesus, authored a white paper for UNESCO sponsored by the U. S. National Commission on Libraries and Information Science along with the National Forum on Information Literacy. That document is entitled *Information Literacy and the Changing Role of the Press*. The critical importance of the media to people and their future formed the basis for this white paper. In it, Quintos de Jesus described journalism in today's world as the communication of politics and power in a democracy in whatever media form available - print, Internet, or broadcast.

...we have moved through historic ages defined by advances in communication technology—from electronic to satellite to digital. These systems...have transformed the conduct of politics, business, and human relationships....Mass media opened up for the public unprecedented levels of access to information...(empowering)...ordinary people to seek and to search out the knowledge and information they need (Quintos de Jesus, 2002, p. 2).

But at the same time, Quintos de Jesus warned of a new danger, one that has evolved from the very technological advances that made mass communication and mass information a real possibility for the entire world. By using today's technology, people are able to design their own news and information sources

and this, according to Quintos de Jesus, has splintered the mass audience into almost niche groups, all based on what they perceive to be most important to them and their needs. The problem with this disintegrating mass public audience is that communication is decentralized, and for Quintos de Jesus that raises concerns about the future viability of the importance or role of the press (Quintos de Jesus, 2002). Those questions are now facing the American local television market.

In 2004, the Project for Excellence in Journalism (PEJ) conducted its first national State of the News Media survey. It is the organization's stated goal to look at American journalism in its various forms on an annual basis. In the introduction to its report, PEJ researchers were blunt about the issues facing local TV news. With television glutted by news shows, local stations have resorted to emphasizing branding over content in an effort to differentiate themselves among not only their competition but also within their own lineup of shows. Project authors suggest that, based on their research, local television news faces a declining audience very similar to that already experienced by the network news operations. The local news organizations face two options – either invest in themselves to gain new viewers or decide that they can survive in their current state, retooling to become more economically efficient and profit-centered (Project for Excellence in Journalism, Local TV). This is not the first time concerns over the trends in local news have been voiced. In 2001, the Radio Television News Directors Foundation (RTNDF) conducted a national survey

regarding radio news but encompassing all levels of broadcast and news media consumption. The study warns that constantly growing media fragmentation, together with a perceived lack of interest in news, means news programming for the mass audience could become obsolete (RTNDF, 2001).

The Growth of Local Television Stations News in the US Information Framework

In the United States, the last century has seen the explosion of one of the most important forms of information transfer: the broadcast industry (and specifically television). Local television news plays a unique role in the broadcast communications industry. The ability to see as well as hear information, often from the people who are making it, and the impact of events on the lives and the environment of local communities has changed forever the way the world understands information and communication.

Since the Federal Communications Act of 1934, which required broadcasters to provide program services to the community in which they are licensed, local television stations have remained the foundation of the television broadcasting system in the United States. It is this particular function, providing local programming to communities, that is the cornerstone of this federal contract (What's Local About Local Broadcasting, 1998). With the growth of television stations in the 1940s and 1950s as primary conduits for network programming, television stations have continued to develop into a vital and identifiable part of their individual communities. The initial advantage to Americans was the ability to watch television entertainment programs. Walker and Ferguson (1998) labeled

local TV as the medium that carried the programming most people wanted. Television, for better or worse, has played an enormous role in molding American culture and thinking. From the first days of television's existence, it has offered the American people a look at other parts of the nation and the world. From major events such as political conventions or wars to historical events like the assassination of John Kennedy or the tragic events of September 11, 2001 to entertainment programs like the last episodes of M*A*S*H, Roots, or national sports presentations, local stations, and in particular the news arms of those stations, have been the information source in even the most remote communities. The local stations made national or world events more real because viewers in small towns grew familiar with the people on the screens presenting the information. This was especially true in the earlier days of local television when station personalities often appeared in a variety of roles creating a relationship between the people on TV and the people watching TV (Williams, Local Television).

Television and News Timeline

The growth of television news at both the national and local levels is a large part of the broadcast industry's story. While no timeline is complete, a general look at some of the key events that have left their mark on the industry can help put the importance of the developing TV news effort into perspective. In certain cases it is easy to see how some of these past events created the basis for TV news elements that continue on-air today. Although not every example in

this timeline is necessarily news of the day, most of the key events did have a newsworthy impact.

1939: This year marked the true debut of television on a national level. Franklin Roosevelt became the first president to be “televised” as he opened the New York World’s Fair (Broadcasting & Cable Yearbook, 2003-2004). At the World’s Fair, NBC began broadcasting with a mobile unit and airing actual programs (one per day) in its New York studio. One interesting parallel to today’s television scheduling within the news/sports realm is that sports remains a big draw for audiences as well as advertising dollars. (In 2003, the football Super Bowl on CBS reached just under 90 million viewers and earned \$2.3 million dollars per 30-second television commercial (Steinberg, 2004).) On May 17, 1939 the Columbia-Princeton (universities) baseball game was broadcast, which paved the way for baseball’s major league debut between the Cincinnati Reds and the Brooklyn Dodgers. But the growing threat of war and its outbreak delayed television development.

1941: Two 15-minute newscasts each day were aired to a small New York audience by CBS.

1946: In what was to become the forerunner for investigative television journalism and long-form news magazine shows, Edward R. Murrow joined CBS as a vice-president and began a documentary unit.

1949: Two national news broadcasts were up and running, NBC's *Camel News Caravan* with John Cameron Swayze and the *CBS TV News* with Douglas Edwards. News programming accelerated after WWII.

1951: Edward R. Murrow and television producer Fred Friendly debuted their new CBS television series *See It Now*.

1953-5: A series of *See It Now* documentaries revolving around the McCarthy communist sympathizer hearings aired on CBS with significant controversy and impact. The results helped to make "television an indispensable medium" (Barnouw, 1970, p. 54).

1951: The forerunner to the morning news shows of today was launched, *The Today Show*, on NBC.

The 1960s were a decade of significant stories. For millions of people, several of those stories became a common binding element reminiscent of John Dewey's observation that the media are at the center of relationships that can define a community.

1960: The Nixon-Kennedy debates were televised and research after the programs showed the impact of TV. Radio listeners believed Richard Nixon won the debates, while television listeners gave the win to John Kennedy (Barnouw, 1968). According to Broadcasting & Cable's *The Rise of Television News*, 75 million people watched the first debate (2001, November 12).

1963: Three major television news events occurred. The networks expanded their evening news coverage to a full half-hour. Martin Luther King

delivered his “I Have A Dream” speech, and John F. Kennedy was assassinated. Four days of coverage by the networks at an estimated total cost of \$32 million culminated in the President’s burial, an event seen by 93% of U.S. homes according to CBS research calculations (Broadcasting & Cable, 2001, November 12).

1965: Video of what appeared to be Los Angeles burning to the ground made the Watts riots a television event that took its place in national civil rights history.

1965-1973: The war in Vietnam earned the nickname “the living room war.” Years later, in 1972, CBS News anchorman Walter Cronkite was dubbed “the most trusted man in America” in part because of his calm reporting for CBS News during the turbulent 1960s (Plissner, 2003).

1968-1969: Three events made people turn to television for a common bonding experience. Robert F. Kennedy and Martin Luther King, Jr. were assassinated and their funerals televised. In July 1969, Neil Armstrong became the first man to walk on the moon when the space capsule Apollo landed in the Sea of Tranquility.

1980: June 1st marked the debut of Ted Turner’s Cable News Network.

During these years, local television continued its role as a local information source often despite such influences as the sale and purchase of stations by new owners; changing economic demands from both networks and station owners, and the always changing national economic climate. As the

network news situation began to show signs of stress with the beginning decline in viewership, the local stations generally held fast because of one unique characteristic – local stations covered local news as well as providing some national coverage. Allen (2001) called it a victory for local news in the “local-network news war” (p. 241).

1990s-Present: A new set of realities created an impact on local stations and on the local newsrooms. Sales of stations grew and large multi-station groups emerged. For example, Hearst-Argyle owns or manages 27 television stations that cover 17.8% of the United States (MSN.Money, 2004); Belo Corp. owns 19 stations, 3 cable television systems and has ownership in 7 others with a reach of nearly 14% of the country (Belo, 2004). Local stations no longer had a responsibility to local owners, often a family or small group of area businessmen. Now the stations are part of a much larger corporate group with the organizational changes that go with such a transition.

Economic changes were felt in both network and local newsrooms. At the network level, The Pew Charitable Trusts (March 15, 2004) report one-third fewer network correspondents in 2004 than in 1985. A survey of local television news directors revealed that the average full time staff was 32 in 1998 and had fallen to 30.7 full time staffers by 2001 (Project for Excellence in Journalism, 2004).

The Impact of Local TV News and a Changing Environment

These and hundreds of other events, covered at both the national and local level, resulted in the individual television stations developing local identities,

usually through the news anchors and reporters. The station became part of the fabric of the community. The local news identity became the human face of the station and the news product remains today a local community's most important news source. A RTNDF study conducted in 2001 on the importance of news reported that news remains an important ingredient of the daily American information diet. About 50% of respondents said they followed the news almost daily and another 25% said they made the effort to follow news four or five days a week (RTNDF, 2001). In 2002, a Gallup poll reported that 73% of Americans surveyed called local TV news the most trusted of all news sources as compared to the Sunday morning news-talk shows-(49%), weekly news magazines (46%), or C-SPAN (43%) (Paul, 2002).

But The Pew Research Center's Biennial News Consumption Survey released in June 2004 shows a changing picture. Comparing all forms of media information consumption, local TV news remains the primary news source with 59% of respondents saying local TV news is the place they most regularly go for information. However, that compares to 65% who named local TV news their top information source in 1996. Regular viewing is now well below the levels reached in the early and mid-1990s (The Pew Research Center, 2004, June 8).

The Growth of Cable News, On-Line News and a Defecting Younger Demographic

Between 2002 and 2004, two changes occurred: the growth of the cable news channels and online news (The Pew Research Center, 2004, June 8). The past two years have seen cable news viewership pass that of the network news

operations. In April 2002, the audiences were virtually equal – 33% viewership for cable news, 32% for the networks. In 2004 those numbers shifted with 38% of respondents saying they watch cable news on a regular basis while only 34% said the same about network newscasts.

But, as shown in Table 1, the most significant change has taken place in the area of the Internet and its fast-growing role as a news/information source. This is true not only for adults under-35, but even older Americans are turning to the Web more often for a dose of data. In the last four years:

- African Americans visiting the Web regularly for news: up from 16% to 25%.
- 64% of Americans in their 50s and early 60s say they go online: up from 45% in 2000.

Table 1

Major Source of News: Watching/Listening

Major News Sources: Regularly Watch-Listen	1996	1998	2000	2002	2004
Local TV news	65%	64%	56%	57%	59%
Network evening news	42%	38%	30%	32%	34%
Network TV magazines	36%	37%	31%	24%	22%
In-depth news sources (National Public Radio)	13%	15%	15%	16%	16%
NewsHour, National Public Broadcasting	4%	4%	5%	5%	5%
C-SPAN	6%	4%	4%	5%	5%
Specialized news (Weather Channel)	-	33%	32%	32%	31%
ESPN	-	20%	23%	19%	20%
Entertainment TV	-	8%	8%	9%	10%
Religious radio	11%	10%	-	8%	11%
Get news online three or more days per week	2*%	13%	23%	25%	29%

* From June 1995

(Adapted from The Pew Research Center, 2004, June 8)

The growth in online news consumption is one of the most potentially significant developments in recent years and may have a longer-term impact than the current increase in cable viewing. This is because the move from traditional local television news to a 24/7-based news-on-demand Internet is a huge draw for the under-35 viewers.

Conventional television audience research suggests that as people mature, take on a mortgage, marry, have children, or begin a career, they become more regular in their news viewing habits. These people become local news viewers as the events within the local communities begin to have an impact on them. Media research analyst Earle Jones (personal communication, August 24, 2004) says local news viewing among adults 18-24 jumps from an average of about 1.8 days per week (Monday-Friday) to about 2.5 days per week among adults 25-34.

However there is strong evidence that the Internet is having a significant effect on younger viewers. Garin-Hart-Yang Research Group, a division of Peter D. Hart Research Associates, conducted survey research in April 2004 to determine how Americans get their news about politicians, national government, and national issues as well as their attitudes about the media. The findings ranked media for "important news sources" with the under-35 voter in this order: Local paper-26%; National TV news broadcast-24%; Radio news-22%; the Internet-20%; and Local television news-19% (editorsweblog.org).

The Pew Research Center's Biennial News Consumption Survey offers further support – 29% of *all* subjects interviewed report using the Internet as a major news source, ranking it just below the network evening news programs (see Table 1).

Where the Dollars Flow and Other Problems

But the changing viewership landscape is about much more than just bragging rights to the audience watching a particular local newscast. Local television news has always been a stalwart and profitable business. Despite difficult economic times, the local television stations have remained generally profitable. The news department is for most stations the single largest revenue center. Of course, the size of the market does play a role in how big that revenue may be. The Radio Television News Directors Association (RTNDA) in conjunction with Ball State University conducts an annual survey of local television news directors to ascertain the percentage of station revenue generated by the news department. As shown in Table 2, in 2001, all but 25 markets (those being the largest) reported generating at or above 40% of station revenue from inside the newsroom. There are 210 television markets in the United States as designated by the Nielsen Media Research Firm (Nielsen Media Research, 2003-2004).

Table 2

Percentage of TV Station Revenue Produced by News Programs, by Market Size

Market Size	1998	1999	2000	2001
All TV	42%	39%	44%	41%
Markets 1-25 (Largest)	37%	36%	38%	28%
Markets 26-50	29%	30%	35%	40%
Markets 51-100	44%	44%	47%	42%
Markets 101-150	42%	41%	44%	47%
Markets 151+ (Smallest)	46%	39%	41%	43%

(Source: Project for Excellence, Local TV, 2004)

While revenues remain high, there is a cost inside the newsroom: that of fewer reporters and staff producing more stories to fill newscasts. For example, in 1998, a small survey of news directors (32) revealed that, on the average, reporters were expected to produce 1.5 stories a day (Jones, 1999). In 2002, a larger survey of 103 news directors showed an increase—the average story count was 1.8 per day per reporter (Potter, 2002). Maintaining high profit margins may become increasingly difficult for local newsrooms as times are changing socially and economically and newsroom managers face increasing pressures from a number of diverse areas, as are discussed below.

Increased competition within a local market: in 1994, an RTNDA study estimated there were 740 operating television newsrooms in the nation (Stone, 1995). In late 2003 another RTNDA study was completed with Ball State University. Although the survey dealt with minorities in TV newsrooms, the survey was sent to 1,295 operating, non-satellite stations with a valid response from 838 newsrooms (RTNDF 2004). The growth of Fox affiliates through the 1990s and the addition of some news operations in WB and UPN stations have

made an impact not only on the number of news choices available to an audience but also to the amount of revenue that can be generated by local news and divided among a growing number of players. As an example, in Dallas-Fort Worth, the number 7 Nielsen ranked market, there are a total of 68 digital, analog, and low power broadcast television stations licensed by the FCC to operate, although not all provide local newscasts (Town Mall Dallas Fort Worth, 2004).

Declining audiences: The fight at the local level has been to retain profitability despite losing viewers on an annual basis. The financial community has watched the declining audience with significant interest. Since 1997, BIA Financial Network (an investment company with specialization in media) has collected local television news data from Nielsen Media Research. Between May, 1997 and May 2003, BIAfn reported local evening news shares dropped 18% and local evening news airing after prime time dropped 16% (Project for Excellence, Local TV, 2004). The rise in online news consumption by many under-35 viewers also accounts for part of this decline.

Changing lifestyles have been contributing to changing news and information consumption habits for some time. Recent research reports that people fit news into their schedules, with about half saying they get their news at regular times of the day while just under half say they check in from time to time – hardly a schedule conducive to planned time-slot driven local newscasts. In

addition, as presented in Table 3, those most likely to check in are the younger viewers (The Pew Research Center, 2004).

Table 3

Checking in for News

View news at:	Regular times	From time to time
Total	54%	46%
18-24 (years)	29%	68%
25-29	41%	58%
30-34	43%	57%
35-49	53%	46%
50-64	62%	37%
65+	65%	33%
College grad	58%	40%
Some college	49%	51%
H.S. or less	51%	47%
Interest in hard news		
High	65%	33%
Moderate	51%	48%
Low	23%	73%

(Adapted from: The Pew Research Center, 2004)

Declining Television Revenue: Advertisers nationally are pulling dollars from broadcast television and re-routing them to other media venues trying to reach their target, often a niche market. McDonald's Corporation reports that it spends one-third of its advertising budget on television. That is down from two-thirds of the budget as recently as five years ago (Bianco, 2004). Eric Schmitt of Forrester Research Inc. calls the situation a "game of hide-and-seek" for marketers trying to find an audience for their products (as cited in Bianco, 2004, p. 62). Business and economic columnist for *Television Week*, Diane Mermigas, points to a study which predicts a weak local television station advertising market in the coming years and a shift in dollars away from the local stations to cable

entities. The author cites industry research analyst Tom Wolzien of Sanford C. Bernstein, a Wall Street firm that follows and regularly reports on television. Wolzien reports that an historical review of advertising data proves local television advertising has increasingly been shifting “to national broadcast and cable networks, but also from print to nationally transmitted TV” (Mermigas, 2003). In the Bernstein document, Wolzien reports on a broadcast executive panel representing nearly three-dozen local stations, which said they were not seeing any consistent sort of (advertising) recovery. Wolzien concludes, “...local advertising may be in more dire straits than originally thought” (Mermigas, 2003).

Frank Beacham provides another example of how changing advertising and business models may affect local stations. Beacham observed that the broadcast executives were particularly interested in developing new business models for stations once industry ownership rules changed. According to Beacham, station managers are concerned that the networks will bypass local stations as distribution sources for first-run programs. Instead, the networks will go directly to pay television and leave local affiliates with only a lower grade of program or re-run material. If that happens, the local stations will be forced to develop unique local content in order to maintain an audience (Beacham, 2001). And, as the effort to maintain a healthy bottom line and profit margin remains important, dwindling advertising dollars for the station as a whole have a direct impact on the newsroom. According to a 2002 Project for Excellence in Journalism survey of local television news directors, 59% reported either having

their budget or staff size cut (Project for Excellence, Local TV, 2004). Lawrence Grossman, former president of both NBC News and the Public Broadcasting System, is blunt in his indictment of economic pressures on television newsrooms: "...television news has turned into a vast commercial market place...Broadcast news...is now shaped entirely by bottom-line pressures" (Grossman, 2000, p. 65).

Technology: The promise of technology in the television news business has led to instantaneous pictures and sound from around the globe and even from outer space. Video shot by cameras that fit in the palm of a hand, in-studio cameras that are run by computers not people, and graphics capabilities equal to movie production houses are just a few examples of the changes in the industry. While all these advances and more come with hefty price tags, no technology is costing the industry more than the government-mandated switch to digital television. For stations it means retooling their entire signal delivery system from an analog signal to digital. And while most agree that the digital picture is superior to analog, the cost for many stations is enormous.

According to Bernstein analyst Tom Wolzien, smaller station owners are in real difficulty. Wolzien estimates a \$3 million dollar price tag for conversion to digital, but points out that smaller TV stations are "lucky if (they make) \$300,000 a year in free cash flow" (Lieberman, 2002). The United States General Accounting Office provided a breakout of costs for a small station versus a bigger market station. In an article published in *USA TODAY*, the government report

estimated that an average of 11% of annual revenue goes to pay digital expenses in larger market stations, which have already made the transition. But in stations in the 100 smallest markets, costs are estimated to run about 242% of annual revenue. As one owner of a group of small television stations put it, “In some cases, the cost of converting to digital is more than the station is worth” (Liberman, 2002).

Ownership Changes and Consolidation: Yet another area of pressure on local news departments is the shifting landscape and the new mandates that occur when a change in ownership takes place. The 1980s saw a shift in network ownership (Westinghouse Corporation-CBS; GE-NBC; Capital Cities Communication-ABC). Then in the 1990s came an unparalleled round of mergers, purchases, and station swaps that have led to nearly 90% of all stations in this country owned by some corporate group (Walker & Ferguson, 1998). A report issued by Intellectual Capital Associates (ICA), a San Francisco-based research group, suggests consolidation presents a problem for local stations to the extent that they, the local broadcasters, could become obsolete. The reason supports Beacham’s observation that the networks will bypass local broadcasters for first run program distribution. According to the ICA authors, viewers will watch programs rather than channels and the networks will provide them directly rather than go through the local affiliates. The study predicts the end of broadcast channels as they exist now once convergence (integration of content -

video/audio/data or information/entertainment delivered from integrated media systems) is established industry-wide (Lewis, 2002).

Efforts by companies to cut costs have led to a changing business perspective that has affected local newsrooms. In the business world “outsourcing,” a well-established strategic tool, is the decision to produce or administer some element of a business outside of the parent company (The Free Dictionary.com, Business and Industry Outsourcing). It is used in a number of ways, including as a tool to control costs. Although outsourcing (or “centralcasting” in TV terms) is a legitimate and usually successful effort to hold down costs in the business world, it can change the character of a local news department.

When duties are outsourced in television news it can mean a loss of local involvement, community outreach, and, in many cases, reduced individual local news coverage because the people normally employed by the station to do these jobs are not there. The term “centralcasting” is a general one and usually refers to centralizing technical and even professional or reportorial work. TV stations commonly outsource graphics and weather. A single off-site production facility provides the needed graphics or weather forecasts to a number of local television news departments in various parts of the country. NBC uses its Dallas station, KXAS, as its graphics outsource for a number of NBC O&O (owned and operated by the network) stations and affiliates. AccuWeather Inc. is the largest of the “centralcasting” weather service providers with over 15,000 clients worldwide,

including big market television stations such as KDKA in Pittsburgh, Pennsylvania (AccuWeather.com).

Still another example of changing relationships is “hubbing”, a practice used by a growing number of stations whereby they all purchase the same local news content from a local provider. The most common of these are traffic reports, especially in large cities, and joint use of helicopters. Another approach growing in use is the “re-purposing” of content, whether it is entertainment or news and information programming. At the local level, stations expand their local news brand by adding more newscasts, re-broadcasting them in different program slots, and re-using stories to fill time in other shows without the cost of new production.

Cable news outlets, such as TXCN (Texas Cable News) owned and operated by the Belo Corp. in Dallas, Texas, are essentially news warehouses. TXCN is the gathering point for hundreds of pieces of news and information from its various Texas affiliates. The information has already aired on the four local stations owned by Belo. TXCN employees re-package the information in various ways and re-transmit it statewide on cable often to essentially the same audience that saw the local story when it first aired in their home market. Thus, TXCN and other cable setups like it are info-warehouses. They provide information from other parts of the state or region to people who would never otherwise see these stories. It can be argued that the information may be irrelevant to many viewers since the stories usually deal with issues specific to the city of origin. But, the

other explanation for this kind of organization is one of simple economic efficiency. It is a way to amortize the cost of the news gathering/producing process by the original stations. Because advertisers are willing to pay for a local news product as shown by the revenue attributed to the news departments (as depicted in Table 2), news-warehousing systems make sense.

Dealing with the Issues

These are just a few of the complex issues facing every local television station at some level regardless of size, affiliation, or ownership. There are two ways to consider the station situation and the news operations. First, is there an acceptable, functioning business-planning model with which the local station management team can assess where the station stands, what they want to achieve, and how they intend to achieve it? The second way to look at the situation is more specific because it addresses only the television news departments. While those departments represent a significant revenue center, they are under growing pressure from both internal and external forces which news managers cannot control. Is there a model that is flexible enough to meet changing influences and can be adapted to each station's needs so that the managers can determine systematically how to move ahead to both protect their department within the station corporation and ensure a better or enhanced level of journalism for their audiences? The local television news managers are not only planning the future for the station and department, but are also making

decisions which will have an impact on the future quality, value, and relevance of local news in their communities and in the nation as a whole.

Local Television: The Impact of Shifting News Viewing Audiences

Assessing circumstances and trying to resolve the contradictions, roadblocks, and unknowns that are part of looking into the future is made more difficult by the very nature of television. Its technology is fast-paced and quickly changing and it is facing an exploding variety of alternative information and entertainment sources, all competing for the same, rapidly changing audience. For example, in the fall of 2003 a critical demographic – men 18-34 – seemed to abandon television, especially broadcast television. Network ratings in this demographic were down dramatically (CBS-19%; NBC-13%; ABC-6%; UPN-20%; WB-16%). High-level media buyers called the situation a “dramatic shift in viewing patterns”, predicting serious trouble with advertising revenues if the problem was not corrected (mediaweek.com., 2003). The Pew Research News Consumption study (as depicted in Table 1) supports this notion of a changing audience lifestyle.

The impact of changing audiences is financially enormous. In a large market for example, a single station can generate millions of dollars. For example, WFAA-TV (in the Dallas-Ft. Worth market), an ABC affiliate owned by the Belo Corporation, brought in \$138.4 million dollars in 2002, according to the market research firm BIA Financial Network (Chunovic, 2004, March 29). Even

though not all stations generate the revenue of a WFAA, with multiple stations in the 210 television markets in the country, the economic impact is obvious.

Literature Review: Management Theory and Strategic Planning

Managing resources has been practiced for thousands of years, but not until the growth of industrial organizations in the late 19th and early 20th centuries did it become the focus of intense study and research. Over the decades general management categories have evolved which have helped organize theories and approaches. A brief but thorough overview of the more influential of these theories and approaches can be found in Albarran (in press).

The last half of the 20th century saw the rise of strategic management, that being a broad view of management, which encompassed a variety of management tools and approaches. In its most general form, strategic management operates at two levels. It seeks to ensure the long-term success of a company by using analytical techniques and systems to understand and deal with changing business and competitive environments. According to Grunig and Kuhn (2002, p. 14), it also seeks to implement “[both] the realization of strategies as well a strategic control.”

In the evolution of this approach Michael Porter is one of the most prominent theorists. Porter developed new ways of analyzing both competition and industries (Porter, 1998, p. 22) and provided a new look at the importance and use of strategies. The term “competitive strategy and strategic positioning” emerged as hallmarks of Porter’s thinking. For Porter, the essence of competitive

strategy lies in being different, in “choosing what not to do” (Porter, 1998, p. 59). By making deliberate choices the company acquires unique qualities - a unique identity or position in the industry - which in turn provide a competitive advantage. However, Porter also warned that a unique position or competitive advantage is not always sustainable because of five forces (identified as a) current competitors; b) the threat of new entrants; c) bargaining power of customers; d) bargaining power of suppliers; and e) threat of substitute or replacement products²) that are constantly part of the economic environment (Porter, 1998, p.22).

In considering business strategies that offer the most opportunities for a company, Porter believed there were three basic approaches that, if developed and applied, would result in a successful outcome. Companies could develop a successful competitive advantage by becoming the cost leader in which the company sets itself apart from other competitors mostly by pricing position. The

² Porter's theory suggests a company's strength depends on the collective impact of these five forces. Rivalry among current competitors is a fluid situation with each company striving for a competitive advantage within their business environment. The actual threat of new companies entering the field depends on how difficult it may be to break into the market. Costs involving such things as compliance with government regulations, high start-up costs, or uncertain economic conditions can reduce the potential of new businesses challenging those already established. Customers hold bargaining power with their dollars or their actions. If there are many products offered but only a relatively few buyers who are interested they, the buyers, control power. In terms of television, buyers or the audience can purchase by watching a show-the more who watch, the higher the ratings and the more likelihood show will remain on air. Suppliers with bargaining power are those who control scarce resources or are a small group with many potential or real customers. In the entertainment field, the TV networks and production houses provide essential content and are able to exert significant control on the price of their product. The threat of substitute or replacement products can have an impact on a company. Alternative products developed by competitors can dilute the market; force prices lower; or even trigger a brand switch by customers to the new product acceptable as a viable substitute. In television news this is evident with the growth of local newscasts with strikingly similar formatting and program traits (The Project for Excellence in Journalism, 2004, Local TV news project-2001).

second approach is differentiation, by developing a product or quality unique from all others in the industry. The third approach is focus, which requires the company to target its efforts in a specific direction or on a specific type of consumer (Gluck, 1985). Under the broad banner of strategic management, a number of models have developed over the years in an effort to better identify key elements that would lead management to a successful strategy and achieve the general goals of strategic management. One of the most widely used of these approaches within strategic management is *strategic planning*.

Strategic Planning

In the corporate world transition from a relatively stable, sometimes protected economic environment to one of serious competition locally, nationally and internationally has been underway for several decades (Porter, 1998).

Today, the situation is perhaps even more volatile.

The market is highly fragmented and we are seeing increased competition...It is more difficult to gain and maintain competitive advantage. Furthermore, regulatory bodies are placing severe demands on organizations...Customers also have more access to information and they are becoming more sophisticated, demanding and discerning (Cormican, 2004).

Continuously transforming technologies, deregulation, ever increasing consumer demands and expectations cause pressure and place companies under continuous risk and uncertainty when formulating strategies (Panagiotou, 2003).

In looking for ways of coping with rapidly changing business realities, one of the fundamental approaches commonly employed to understand and take action in this shifting environment is strategic planning. According to Gurau,

Ranchhod, and Hackney, it is one of the “major functions of any organization” (2003, p. 1). O’Regan and Ghobadian (2002) suggest that it is an effort to change the business strength of a company relative to that of its competitors’ in the most efficient and effective way possible.

Grunig and Kuhn (2002) define strategic planning as a systemic process establishing the way a company will guarantee the permanent accomplishment of its key goals. The authors become more specific by targeting what they call “intended” strategy as the goal for companies. Traits include: a long-term set of guidelines; the strategy is appropriate to the entire company or for key parts of that company; it is usually a product of top management thinking; and it guarantees success of the crucial company goals.

Naylor (1983) describes strategic planning as a way to help managers meet long-term objectives based on its resources, overall goals, and other environmental information, while Gershon (2000) narrows the definition to a “set of managerial decisions and actions that determine the long-term performance of a business” (p. 96).

Other aspects considered important parts of strategic planning include flexibility, forward-looking in approach, and innovative in both thinking and implementation. Porter cited both innovation and thinking ahead of the curve to anticipate changes in the business environment as critical to forming a successful plan. According to Porter, companies that anticipate change can respond first (Porter, 1998). The process of strategic planning should be a

forward-looking, on-going one in which Naylor (1983) recommends the use of “what if” scenarios as a tool toward understanding the company’s environment.

McKinsey & Company consultant Hugh Courtney echoes that thinking. Courtney’s book, *20/20 Foresight* (2001), is an outgrowth of a McKinsey partners’ meeting in 1994 to discuss strategic planning. Courtney suggests one of the most useful ways for a company facing questions with multiple potential answers is to use the “what if” scenario for each answer, thus planning responses and actions to each. By that method the managers can better understand the potential results depending on which path they choose. Their choice leads them to the next forward step in their overall strategy (Courtney, 2001).

A Need for Strategic Planning and Practical Applications

The rapidly changing business environment, more volatile than in past decades, makes the need for some form of planning a crucial part of strategic management. Naylor (1983) suggests the uncertainties and challenges themselves are the principal reason to engage in strategic planning. Grunig and Kuhn (2002) observe that because of growing difficulties in predicting what will happen, strategic planning should be increased. A company must expend resources in its struggle to survive. Unless there is some effort at developing an intended strategy, the outcome will be unclear and the resources used will have potentially little benefit to the company’s competitive situation.

A survey of 48 companies by the American division of The Daniel Group looked at how strategic planning is, or is not, being used. Of the companies

interviewed which had established strategic planning efforts in place, 70% held first or second market positions in their respective industries compared to only 45% in that market position which did not have a strategic planning process. On a scale of 1 to 10 with 10 being very important, respondents gave strategic planning an average importance score of 9.4 (The Daniel Group, 2001).

To aid in the practical application of strategic planning in the business world, Courtney (2001) developed a series of steps as a useful approach to create a flexible strategic plan. Within that series of steps are:

1. Determine which issues or uncertainties really matter. A company may face many questions, but only a few really have the ability to make a significant impact. Decide which ones they are.
2. Use “what if” scenarios on each of the potentially important contingencies. Make sure the scenarios are fact and information based and are each exhaustive in describing the outcome if it were chosen as the action step.
3. Define specific strategic actions that complement the various contingencies. Sometimes events will require the strategy change, other times the strategy should remain intact.
4. Identify where the “trigger” or alarm point is in each scenario. At what point does the strategic plan flex and take appropriate actions?
5. Understand that strategic planning is a dynamic process, one that is constantly changing depending on the environment.

Key Performance Indicators

There is another element that plays a central role in the development and implementation of strategic planning. One aspect of implementation is the ability to judge whether the plan and the actions taken were successful. In the business world the term KPI, or key performance indicators, is the generally accepted way to identify those things which are used to measure success or failure.

Key performance indicators are essentially measurement standards. One of the most important hallmarks of KPIs is that they are accepted within an industry as the understood measuring benchmark. They are “significant predefined measures” (Wu, 2002) which give managers information to judge past activities. KPIs are a way in which the success of a company or organization can be measured and compared against its competitors based on performance in the accepted KPI areas. This allows a company to use the information to monitor long-term performance (Freeman, 1995). Kopin (2004) defines KPIs as a specific set of measures against which monitoring takes place. The author also says that the key performance indicators must be able to be “translate[d] into real-time actions” (p. 55) so that business can improve. Although key performance indicators will vary depending on the industry or organization, the “real-time actions” needed to be successful according to the measurements of the accepted KPIs become components within the strategic planning process. Regardless of what the actual key performance indicators might be, KPIs are accepted measurement standards.

For the television industry, the key performance indicator that has a direct and profound impact on every aspect of the industry is the Nielsen Media Research ratings system. The importance of the Nielsen ratings system cannot be overstated. The Nielsen television numbers, delivered once a quarter, are the basis for industry advertising sales. Regardless of whether network, cable, or at the local station level, the Nielsen ratings system acts as the tacitly understood

industry KPI, or key performance indicator. It is the one universally accepted measuring tool by which all programs are judged and all economic sales are made. “As the lone source for network ratings, upon which all TV advertising sales are based, Nielsen is the sole arbiter of value in the industry....Nielsen ratings are used to price some \$60 billion in TV ads annually (combined national and local sales)” (McClellan, 2004, pg.2).

At the local level, the Nielsen ratings carry a significant impact. The value of a ratings point is central to all programming – including local news – in assessing how the program will be sold to advertisers. Although the actual dollar value of a ratings point at the local level can be difficult to determine since each market has a different economic and competitive makeup and the information is rarely revealed to outside sources, a single station in a large market can generate millions of dollars (Chunovic, 2004). So, for local television stations and specifically the local news department, one measure of successful planning is the result as evaluated by viewers through the Nielsen ratings service.

Strategic Planning in Operation

Strategic planning is used internationally in a wide variety of businesses and organizations. Critical to all strategic planning is obtaining the necessary data upon which to base analysis and recommended actions. Gathering this information can involve a variety of research tools such as in-depth interviews, focus groups, formal surveys, government reports, and Internet usage data.

A Strategic Planning Process for a Small Nonprofit Organization

In the case of a small, non-profit U.S. hospice, strategic planning was used to develop a way to allocate scarce resources and to develop and strengthen funding options (Mara, 2000). The overall goal of the strategic planning process was to provide a sense of direction over the next five to ten years for the hospice managers and a long-term action plan to achieve hospice objectives for terminal patients and their families. Eight and a half years later two key members of the hospice were interviewed to determine how the plan had been executed and its results. The author concluded that the hospice had “achieved almost all of the goals in the strategic plan” (Mara, 2000, p. 221) and that for a non-profit organization, strategic planning could provide a more streamlined, time and cost effective approach for managers.

Effective Strategic Planning in Small and Medium Sized Firms

One of the fundamental tenants of any planning effort is that it must be implemented to determine its effectiveness. O’Regan and Ghobadian (2002) concluded that companies using strategic planning did have more success implementing their plan. The authors believe that small to medium sized enterprises (SMEs) have been generally ignored in the overall study of strategic planning, with larger firms more often the focus of research. The authors contend that independent or privately owned SMEs don’t practice strategic planning to the extent of those associated or subsidiaries of larger firms. Based on the results of this study, the authors suggest the SMEs that *do* use formal strategic planning in

their business environment are better able to implement their plans than those who do not use a formal planning process. O'Regan and Ghobadian conclude that while the differences are not large between the independent and subsidiary firms, the key problem for SMEs is implementing any kind of plan. The authors believe those SMEs with strategic planning models in place are better able to overcome barriers to implementation.

The authors concluded from analysis of all data that formal strategic planning resulted in better implementation of the resulting strategy and that firms with formal planning efforts were "better prepared" and had "greater confidence" in meeting and overcoming potential roadblocks to that implementation (O'Regan & Ghobadian, 2002, p. 670).

This study offers suggested opportunities as it applies to the use of strategic planning in television news. While most television stations today are owned by groups, they are still individual companies within their own market. Inside the station, the news department exists as an even smaller entity or SME. According to the study's authors, eight roadblocks to implementing a strategic plan were identified. Internal to the companies were:

1. Inadequate communication
2. Implementation took longer than expected
3. Employees were unable to perform the necessary functions
4. Overall strategic goals were not clearly understood by the staff
5. Implementation efforts were poorly coordinated

Three additional barriers were identified as external to the companies:

6. Crises arose distracting attention away from implementing the strategic plan
7. Unanticipated problems from the outside environment developed
8. Outside forces impacted implementation

This leads to the question of whether news departments that try to develop some organized long-term plan face similar barriers to implementation. Are there common themes which support the hypothesis that there are roadblocks to station implementation of any formal planning effort? The question will be addressed in the methodology section of this thesis.

Formal Data Use in Strategic Planning

The value of strategic planning has been described as allowing management to understand the competitive environment, deal with rapidly changing business situations, better allocate resources, and achieve long-term goals and objectives critical to the company's philosophies, among other things. It is also a method for managers to sort out competing opinions within their own company or organization as both internal and external forces change in the landscape. In a study by the authors Daake, Dawley, and Anthony (2004), the board of directors of a 3,000+ employee U.S. hospital faced such conflicts. These authors studied the use of strategic planning for a hospital faced with a number of issues: new healthcare reforms, new competition from expanding healthcare competitors, and conflict about how to meet these challenges from several

community interest groups critical to the operation of this hospital. Daake et al. (2004) focused on how much information and what kind of information was critical to managers before going into the formal strategic planning process.

Over the course of 16 months, data was gathered from seven participant sources. The collection process used several tools including surveys, focus groups, group sessions, and a set of individual interviews (both original and follow-up). Data was analyzed in several ways including SWOT analysis (strengths, weaknesses, opportunities, threats), in-field observation, and content analysis (Daake et al., 2004).

The authors concluded from this study that significantly large amounts of data may not be critical in the strategic planning process specifically where a high level of education and experience of participants is apparent. Daake et al. (2004, p. 241) reported, “these strategic planners used less formal and intuitive information than formal data.” According to the authors, the results offer participants in the strategic planning process valuable insight as to how much and what type of formal information can be absorbed and used before “information overload” occurs (Daake et al., 2004, p. 244) and they recommended that formal data be limited and presented in a concise and structured way for more effective use by participants. As for the results of the strategic planning session, in the follow-up interviews the authors reported the participants felt generally well-informed and that communication of information

(rather than lack of information) was a specific problem still needing to be addressed (Daake et al., 2004).

Strategic Planning in Illinois - A State at the Crossroads

As already noted, strategic planning over the years has been a key tool for managers in a variety of industries and organizations. Government is no exception. In 1993, the U.S. government passed the Government Performance and Results Act which required all federal agencies to, among other things, prepare a strategic plan describing goals and objectives and how they were to be achieved. In 1999, the governor of Illinois declared mandated strategic planning at the state agency level and created the Office of Strategic Planning (Eitel, 2003). Eitel (2003) looks at the use of strategic planning, its outcome and suggests possible options facing the state as it changes political leadership.

Strategic planning is often done with a relatively small group of people. In this case, the organization and execution of the strategic planning function was different. Twenty-one state agencies which accounted for 80% of the state's annual expenditures were each ordered to develop a strategic plan with help, if requested, from an academic advisory board and other strategic planning experts available through the umbrella Office of Strategic Planning (OSP). The overall goal for the state effort was to facilitate organizational change and included integrating strategic planning with quality improvements within the agencies, developing performance planning, outcome-based budgeting, and creating a performance monitoring capability (Eitel, 2003). According to the author, another

goal that was fundamental to the potential success of strategic planning and implementation was to change the culture of the agencies themselves, essentially breaking down barriers among agencies and remove barriers to implementation. Since the mission of the OSP was to create one statewide strategic plan developed from the 21 agencies, an established strategic planning model using facilitation as a primary element of data gathering was developed (Eitel, 2003). The strategic plan deadline was a year after the state action and implementation along with refinement of the plans began.

Eitel says initial reports show some state agencies realized improved internal management as specific results from the planning sessions. The aftermath of the terror attack on the United States in September 2001 led to a \$500 million dollar budget cut across the board in the Illinois state government. Eitel's follow-up work states that those agencies active in the strategic planning process said they were "in a better position to offer realistic alternatives" relating to the mandatory budget cuts (2003, p. 599). Eitel concludes that results have occurred "that may not have" without the use of the strategic planning approach and suggests this seems to have laid the basis for change in the organizational culture of the various agencies, one of the goals of the planning process (2003, p. 604).

Media, Television, and Strategic Planning

Management research as it relates to the media began to see growth in the early and mid 20th century with the development of media companies and

conglomerates (Albarran, in press). In regard to television specifically it is still an emerging area of study. For television, the past decade has been one of significant change. Potential regulatory changes by the Federal Communications Commission, declining audiences, advertising dollars migrating to other media venues, and the economic impact of digital transition are just some of the events that have made the television industry experience swift and often dramatic change. Advancing technologies and multiple media options are splintering the television audience. According to a *BusinessWeek* special report, if an advertiser broadcast a commercial simultaneously on ABC, CBS, and NBC during the 1960's, 80% of American women would have seen it. Today, it would take running the advertisement on 100 channels to even approach that demographic reach (Bianco, 2004).

But, despite the extensive literature describing the use of strategic planning as a method for dealing with change and risk in the corporate world, little work has been documented as it applies in a formal sense to the television industry, specifically news. Certainly producing a daily news show is very different from producing thousands of widgets in a manufacturing plant. Nevertheless, many of the problems each manager faces have some similarities, such as increasing competition, changing audiences or markets, and advancing technologies. Is there an approach that television news can borrow with some modification from the business world to provide some guidance for long-term strategic planning that will also retain the values of excellent journalism and

commitment to the local community as an information provider? Dean of the University of California at Berkeley's journalism department, Orville Schell, says this about the lack of business models which support news: "I don't have the answers, but I do know that things aren't working well" (Bianco, 2004, p. 66).

Television Station Approaches in Use

The broadcast industry has been grappling with the changing economic and structural environment for years. For broadcasters, concerns have centered on the changing/declining audience and the effort to retain revenue.

Broadcasters are using a number of approaches in an effort to deal with the changing environment. One widely accepted tool today is branding, a concept borrowed from the corporate marketing world. There, getting attention in a hugely cluttered media landscape is crucial. Customers will gravitate to trusted brands and customer perception of a company will have a significant impact on whether it succeeds or fails (Berman & McClellan, 2002). The technique has some specific goals – to create a familiarity with the company or product, a positive image for it, and begin to build trust with the customer that grows value for the brand itself -- brand equity.

Hoeffler and Keller (2002) describe the power of the brand as what remains strong in the minds of the audience or customers. If the audience or customers have on-going positive experiences with the product brand (in this case, a television station) and the marketing itself reinforces those impressions, an emotional bond develops and ultimately becomes tied to the brand itself

(Hoeffler & Keller, 2002). This tool, now in nearly universal use by television stations, can be seen in such simple examples as the small logo on the corner of the television screen or the slogan or catch-phrase ascribed most often to the news division to give it a viewer identity. Such phrases include *Spirit of...*; *Live, Local, Late-Breaking*; *On Your Side*; and *In Touch With...* to name just a few. While the branding effort is on going for any company, television or not, it in itself is not a strategic plan, rather a part of one.

An approach a growing number of stations are using has more of a strategic plan feel to it, and that is “convergence”. The word has been in use for years referring to the changing economic, structural, and technological environment within the broadcast industry. In the academic community the term has been characterized as the integration of content such as video, audio, and data or information and entertainment, and the integration of distribution systems such as telephone, cable, broadcast, and other wireless systems (Baldwin, McVoy, & Steinfield, 1996). In the broadcast industry, it is often described as a unified working effort among various but well-coordinated media outlets such as a newspaper, television station, radio station, and strong website. WFLA, the CBS affiliate in Tampa, Florida, owned by Media General, is a prime example and one of the first stations to build a media complex designed to coordinate all these entities. This kind of coordination is not always the norm within the industry. Chan-Olmsted (1998) uses the phrase “strategic alliance” as describing a business relationship where two or more companies try to gain a collective

advantage, and thus “attempt to integrate operational functions, share risks, and align corporate cultures” (p. 35). This idea of less than a full merger or ownership arrangement but more than an informal agreement to pursue common interests is more prevalent among today’s stations at the local level. Simply, most of the local stations do not yet own radio, newspaper, or other stations in their markets.

For many television stations, the goal is to create both strategic alliances and to find new and different revenue streams to guarantee their survival and to take advantage of the growing technology. Without question, one of the potentially greatest economic windfalls is the digital signal. With the ability to carry two and three channels of different content on the same primary channel, all controlled by the local station, the potential for new revenue is obvious. Academics have discussed this notion for some time. Webster and Phalen (1998) suggest that with the possibility of unlimited broadcast channels, the opportunities are significant for new, non-traditional moneymaking ideas, particularly in small or niche audience segments.

The practical transformation of this idea to the everyday broadcast world is further discussed by Chan-Olmstead and Kang (2003). Considering the issue of core competencies, or those elements that a company possesses which give it a clear advantage over its competitors, they conclude that in the arena of broadband television, with its ability to provide multiple access for viewers and multiple platforms for the broadcaster, “the core competencies...would involve access to content or distribution channels, creative content that addresses

consumer needs, and marketing and technology know-how” (p. 8-9). Certainly these three areas are present today in many successful local television stations. In several cases, some stations are pushing to create even more specific niche broadcasting opportunities, as is seen by a review of the WFLA website (News Channel 8). Tied by ownership (Media General) to The Tampa Tribune, the television arm via its website and the newspaper have created neighborhood on-line news and community information sections. While not yet a second or third digital channel, certainly the potential for some such hyper-local broadcast product is available and clearly represents the three core competencies as defined earlier by Chan-Olmstead and Kang.

What Does This Mean?

But is this the result of a strategic planning effort? In the case of some large, well-organized and well-funded stations, the answer may be yes. There is no published work specific to that question one way or the other. However, for smaller stations with fewer resources and opportunities, how can they take advantage of their capabilities to create strategic plans that, as Gershon suggests, should provide not only an understanding of the changes in their business world but also “clearly (articulate) a vision for the future” (Gershon, 2000, p. 97)? This is especially important in considering one of the biggest revenue generating departments within a television station, the newsroom. In order to maintain its economic muscle for the station, it needs to maintain and grow ratings for sales to advertisers. The growing turmoil within the news

industry is making that increasingly difficult. In a recent study of television duopoly managers (those managers responsible for operating more than one station in a given market), Albarran and Loomis (2003) reported managers both relying more heavily on their mid-management employees and paying more attention to the sales and news efforts. For mid-management employees, such as news directors, this translates into even less time for creating and executing successful strategic planning.

Purpose of This Study

The goal of this thesis was not to develop a strategic planning model for television news departments. Rather, it was an effort to begin a discovery process. How did experienced television news directors create a plan that can achieve for their operations what the corporate planning models have achieved for theirs?

Based on information from in-depth interviews and content analysis, the goal was to look for common themes, ideas, practical applications, and other approaches or tools these veteran news professionals have used and are now using in their careers to build a successful, well-established news department. Could these commonalities, if there were any, be organized in such a way as to suggest a strategic planning process appropriate for a television newsroom?

Research Questions

This study attempted to answer the following research questions:

RQ #1: Does the news director have what each believes to be a strategic plan that approaches the definitions used by the corporate world?

RQ #2: If so, are there similar elements within those news plans?

RQ #3: Are there common tactics, planning elements, or other tools used by all news directors in their stations in developing strategic plans for their departments?

RQ #4: Are there common roadblocks or barriers to implementing long-term plans?

Methodology

This study gathered and analyzed data from a purposive sample of participants. Nine current or former television news directors were asked to participate. Each had a minimum of five years experience as active in-station news directors managing a full-time broadcast news operation, thus excluding cable station news directors or 24-hour or Internet news directors. However, the sample could include current television corporate executives responsible for the news division within their group. The decision to impose a minimum five-year experience track as television news director ensured that the participants had had ample time to deal with changing technologies, personnel issues, budget concerns and other market pressures within the general current industry environment. These news directors represented ABC, CBS, and NBC. The FOX, WB, and UPN stations, while often doing news, either did more news programming than others, did much less per day than others, or the news

programming was provided through partnerships with the local ABC, CBS, or NBC affiliate. Therefore, any managers of these facilities were excluded from the study.

Based on current Nielsen research, there were 210 designated television markets in the United States, ranked in size by the number of television households with New York City designated number 1 and Glendive, Montana, number 210 (Nielsen Media Research, 2003-2004). Participants in the study came from local stations in the middle range of markets (size 57 through 138), a span of 80 market sizes. News directors in significantly larger markets are often less focused on daily issues inside their news departments/stations because of requirements to focus on group or corporate level mandates. In addition, because large economic bases support the big markets, budgetary pressures are different than those in middle or small sized markets. Smaller markets, meanwhile, find themselves with different issues, such as a news director who doubles as an anchor, thus the ability to devote time to strategic thinking or planning is limited.

The news directors represented stations whose individual group ownership allowed no more than 10% coverage of the United States. As an example, Gannett television stations covered nearly 18% of the country (Gannett, 2003) and the Belo group covered nearly 14% of the U.S. market (Belo, 2004).

The participants equally represented the three largest network affiliations, ABC, CBS, and NBC, and came from stations with a generally similar amount of

local television news programming airing Monday through Friday, whether it is original or re-played in another time period (see Appendix).

Research Approach

In-depth interviews were conducted with the same battery of questions administered to each person. These interviews were conducted either in person or by telephone as physically appropriate. The questions were directed to the study participants are as follows:

Interview Questions for News Director Survey

1. Gathering information: How do you gather information about your market?
 - a. How recent or timely is it? Every 6-12 months/18-24 months? Longer?
 - b. How is it coordinated with other data coming into the TV station so that it can be assessed in news department terms?
 - c. Who does the interpretation and analysis? You, or someone else?
2. Assess your product: Describe your 'core competencies,' those specific elements that clearly set your news department and product apart from the competition.
 - a. How "fresh" or modern do you feel your product is compared to others in the market?
 - b. Using your best judgment, research, etc., consider this question as it relates to content, needs of the community, and style/look. Is your product as appealing to viewers today as it was in the past? How do you quantify that answer?
 - c. Can/did you financially address the issues/problems in the short-term or are they long-term issues you just have to work around?
3. Challenges to remaining competitive: How do you learn of new trends or ideas in the industry?

- a. What about innovations or activities by current competitors – how do you generally get in the information and respond?
 - b. How well do you know your competitors and would you describe your competition as a threat to your position or not? In what ways?
4. Planning: How do you define strategic planning as it relates to local television news in your market?
 - a. Do you attempt a formal strategic planning effort and, if so, how long a time frame do you consider?
 - b. What areas are involved in this planning process within the news department?
 - c. How do you conduct this planning effort?
 - d. Who is involved and makes the final decisions?
 - e. How do you quantify successful completion of your strategic plans?
5. Plan review: How often do you review or modify your plan and what is the usual catalyst for a review or modification of the plan?
6. Consider the two most recent efforts at strategic planning in the newsroom.
 - a. Were they successful and if so, how did you quantify that success?
 - b. If not, what stood in the way of their successful implementation?
 - c. What specific tactics or specific efforts did you make in trying to be successful within the newsroom for implementation?
7. Attributes and roadblocks: Thinking about all your experience in newsrooms regardless of your own role in those newsrooms, what would you describe as:
 - a. Keys elements to successful implementation of strategic plans?
 - b. Key roadblocks to successful implementation of strategic plans?

- c. Do you use any “formulas” as aids in planning – Balanced score card, SWOT, etc. and do you use these tools in developing long term content plans?
8. Do you use a website to push viewers to TV? How do you track its progress?

Method of Data Analysis

The data from these in-depth interviews were transcribed and content analyzed. The objective was to find patterns of responses that have a direct impact on the 4 key research questions. Qualitative content analysis is a widely used method of interpreting data from interviews. It allows an understanding of the information either by tracking the participants’ specific words and phrases or by interpreting the concepts and data from respondents’ comments (Wood, 2001). In this study, the latter approach, interpreting the concepts and data from respondents’ comments, was used.

CHAPTER 2

METHODOLOGY

Qualitative content analysis is a well-known method of reviewing, organizing or categorizing, and analyzing data. According to Mayring (2000), that information can be gathered in many ways including observation, interviews, recorded communication such as videotapes, or other narrative sources. Qualitative content analysis can be applied to data by interpreting the concepts and data from respondents' comments (Wood, 2001), which, in this case, were derived from personal interviews. The data are reviewed for patterns and content from which inferences can be derived.

Qualitative Content Analysis

The methodology for using qualitative content analysis is well defined. According to Mayring (2000), the process begins with creating broad categories based on the issues under study. The data is reviewed and distributed within the context of the categories as appropriate. As more material is analyzed and categorized, these broad initial classifications may be revised. The process is reviewed continually and finally the interpretation of results and analysis takes place. Since the data is often derived from subject interviews and research observations, results rely on interpretation of that data in final analysis.

Data Analysis Framework

This study reviewed literature on the theory of strategic planning as applied in the business and industrial world; then looked at what level of formal

strategic planning is used in the local television news industry. Because there is no published work specifically addressing that issue, a framework for gathering and analyzing data was developed.

The Sample

Since qualitative studies frequently rely on interviews with relevant subjects, this technique was chosen as the approach for this study. Each interview was designated as a single unit of analysis. Personal interviews were conducted with nine participants, each of whom was chosen based on a consistent set of criteria. The participant criteria were defined as television news directors with a minimum of five years in the industry; located within a broad mid-range of Nielsen market sizes (market 57 to market 138); who work for media companies that do not penetrate more than 10% of the American television market; and who were affiliated with only the three traditional networks, ABC, CBS and NBC.

A letter of the alphabet was assigned to each participant. This technique was used to provide confidentiality to each news director which was discussed prior to the interview. Each person will be referenced by the designated letter in the remainder of this document (See Table 4).

Table 4

Professional Data of News Director Participants

Network Affiliation for Interview	News Director Identification	Current Market Size	Total Years: News Director/Assistant News Director All Markets	Gender
CBS	A	85	21 years	M
ABC	B	57	16 years	M
ABC	C	81	9 years	F
NBC	D	79	8.5 years	M
CBS	E	60	15 years	M
CBS	F	138	18 years	M
ABC	G	94	23 years	M
NBC	H	91	19 years	M
NBC	I	62	22 years	M

Years as News Director

A minimum of five years as news director/senior news manager eliminated new managers who may have not experienced the cycle of station-wide budget planning; large-scale event planning such as elections or major sports events; or had not worked in a managerial environment long enough to experience the technological and corporate changes that have taken place in the television news industry.

Mid-Range Nielsen Markets

The choice of mid-sized markets ensured that these news directors would be hands on managers working in their newsrooms on a daily basis. All news directors interviewed were part of daily story assignment meetings, dealt with budgetary issues, and were part of the management team deciding both short and long term strategy for the news effort.

Limited Corporate Penetration

The decision to limit corporate penetration to no more than 10% of the United States television market was an effort to control the influence of planning from outside, corporate forces. The television networks or large broadcast groups such as Gannett, Belo, or Hearst-Argyle often have executive news managers who are regularly involved with the stations. The penetration limit was an effort to ensure the planning process came mostly, if not entirely, from the local station managers.

Network Affiliation

The three original television networks have a long-standing history of local news as part of their affiliate relationship. In 1994, a Missouri School of Journalism survey found that 98-percent of all ABC, CBS, and NBC affiliates had local news operations while only 36-percent of the Fox and other independent stations fielded a local news effort. According to the survey that translated into 620 ABC, CBS, and NBC affiliates with local news and 120 Fox and others combined with local news operations. A 2001 update of this survey showed an estimated 77% of television stations had local news departments. Of that, about 630 were ABC, CBS and NBC affiliates. Despite a growth of Fox affiliates in mid-1990, only about 220 of the Fox and other independents combined had local news departments (Stone, 1994). Therefore the opportunities for the participants to have had long-standing news careers with established local news departments

and have potentially been part of the many changes occurring in the industry suggested a sample focused on ABC, CBS, and NBC affiliate relationships.

How Data Was Gathered

A series of questions was developed to determine how the news directors gathered and used information about their markets; how they defined strategic planning in their newsroom; and how they quantified success or failure of the planning process as they defined it. This same set of interview questions was administered to each participant (see Appendix). Each interview took place by telephone, was completed in one interview session, and lasted between 50 and 70 minutes. All interviews were conducted between November 23, 2004 and December 16, 2005. The interviews were audio taped and then transcribed verbatim for review.

Questionnaire Design

The initial challenge to developing a questionnaire for this content analysis study was the lack of previous research tools. As determined in Chapter One, there is no available questionnaire design appropriate to the study of strategic planning in a local television newsroom. However, the literature on strategic planning and its use in the business world is extensive. Therefore, it was determined that a questionnaire would be fashioned to meet the needs of this study.

The questions to be asked of each study participant were designed based on input from two key sources: first, those elements and characteristics common

to strategic planning approaches used in the business world and; second, the author's extensive professional experience in local television newsrooms.

In reviewing successful strategic planning approaches used in the business world, researchers have determined a number of similarities. For example, Grunig and Kuhn (2002) suggest that not only should strategic planning be an effort to guarantee that a company's permanent goals will be achieved but also that the process should establish long-term guidelines. Additionally, it should be appropriate to at least key parts of the company and is the product of top management thinking.

Porter (1998) identified innovation and forward thinking to anticipate changing business environments as all part of successful strategic planning while Naylor (1983) describes strategic planning as a way of assessing environmental information and meeting long-term objectives based on resources. The author says this process should be a forward-looking one and suggests the "what if" technique as a tool in plan development.

Courtney (2001) incorporated the idea of "what if" scenarios and developed a series of steps he believed would easily help a company create a flexible strategic plan. Within his approach there are five steps that are easily adapted to the television news industry.

1. Determine which issues or uncertainties really matter. A company may face many questions, but only a few really have the ability to make a significant impact. Decide which ones they are.

2. Use “what if” scenarios. This technique allows managers to analyze each of the few potentially important contingencies by first considering a potential problem or event then planning responses and actions.
 - Be honest in creating the planning scenarios. Make sure the scenarios are fact and information based and are comprehensive in describing the outcome if it were chosen as the action step.
3. Define specific strategic actions that support the various potential changes. Events may require a change in strategy, other times the strategy should remain intact despite a change in the circumstances.
4. Identify where the “trigger” or alarm point is in each scenario. Clearly define the point at which a reevaluation of the strategic plan must take place and when appropriate new actions may need to be taken.
5. Strategic planning is a dynamic process. It changes constantly depending on the environment.

Questionnaire Design Approach

The purpose of this study was not to develop a strategic planning model for local television news, but instead, to determine if any elements of strategic planning, as exemplified by the business world, were part of the local television news planning effort. Therefore, to develop a questionnaire appropriate to this study, the author concluded that it should include basic elements from the business worldview of strategic planning but modified for a local news operation.

In broad terms the questionnaire targeted:

1. The methods used to gather and analyze data about the market and who most often did the analysis.
2. The methods managers used to stay current in the industry and keep a forward looking approach to their planning efforts.
3. How the individual managers interpreted strategic planning and did these interpretations have similarities to the general understanding of the term as applied in the corporate world.

4. Methods used to evaluate the results of strategic planning efforts and the elements identified by the participants as key to both successful strategic planning and a successful outcome (See Appendix for full questionnaire).

Category Identification

The questions were developed and revised in consultation with industry and academic professionals over the course of several weeks. The goal was to create a set of questions that were clear and easy to understand, focused on basic elements that formed strategic planning theory and execution, and were also compatible with the daily operations of a local television news department. Once the design was complete, the interviews were conducted and the responses organized into six categories by broad topic. The categories are identified as:

1. Gathering Market Information: How do participants gather and assess information about their market and their audience?
2. Staying Current in the Industry: How do participants learn about new trends and changes in the industry?
3. Core Competencies: What elements set the station apart from its competition?
4. Strategic Planning: How do participants define “strategic planning” in their newsroom operation?
5. Quantifying Success or Failure: How do participants define or quantify successful implementation of a strategic plan?
6. Keys to Successful Strategic Newsroom Planning: What characteristics contribute to a successful strategic plan?
7. Use of Station Website: Do you use the website to push viewers to news?

Data Coding

Responses to these in-depth interviews were transcribed verbatim then reviewed and coded under the seven categories. That data was then studied for common themes, ideas, practical applications and other elements, which may relate to strategic planning in the newsroom. The results of the questions are presented in this study organized within each previously named category. For the purposes of this study, all coding was done by the author.

Summary

This chapter explained the methodological approach used in this study and how the data was gathered, coded and organized. Chapter 3 presents the results of the study.

CHAPTER 3

RESULTS

This chapter analyzes the data gathered from the nine interviews with the participating news directors. The content of those interviews has been reviewed and the information coded based on the seven broad categories previously identified in Chapter 2. Following the results from the interviews, the four original research questions are answered with the data presented here as the basis for those answers.

Category 1: Gathering Market Information

How do participants gather and assess information about their market and their audience?

One of the foundations in developing a strategic plan is information -- relevant data about the company and its place in the market, the competitive situation, and the state of the overall market. Porter (1998, p. 22) developed new ways of looking at the marketplace by suggesting five major issues or forces as key to understanding the economic environment. Porter identifies the five forces as: a) current competitors; b) the threat of new entrants; c) bargaining power of customers; d) bargaining power of suppliers; and e) threat of substitute or replacement products.

Of these, intelligence about current competitors, assessing the potential threat of new competitors in the field, and the possibility of substitute or replacement products taking market share are crucial if a company (or in this case a television station news department) is to develop a strategic plan.

Frequency of Data Gathering

For all nine stations, methods used to gather information were identical although some stations employed certain methods more than others. The only difference revolved around how frequently systematic research projects were conducted and, for most of the group, that was generally driven by financial considerations. The participants also relied on past ratings data which they had evaluated as showing strength in the market with their audience. Since that information could be tracked over a number of years, it provided them with an additional tangible reason for not acquiring market research on a regular basis. However, all agreed that regular research conducted by an outside professional television research firm was ideal on an annual basis or at least an 18-month to two-year cycle.

**ND A:* Our news research is done every 18-24 months...We share it extensively throughout the staff.

ND D: Sporadically right now. Our last research project was done in May of 1998...In a perfect world, I would like to do research every two years.

ND B: It varies on the economy and how the ratings are. If it doesn't seem necessary...we don't do it...The majority of us have lived here for a long time. So we have a good grasp on what is important in this market.

ND G: We do it annually. Recently the research seems to be less personality driven and more about content and style.

ND E: Once a year usually. I'm budgeted for two next year but one of those will probably get cut.

* ND denotes news director

Data Collection Methods:

The data collection methods used by the respondent stations break into two categories. They are identified as professional research and informally gathered data.

Professional Research

The type of research conducted in these markets falls into a few broad categories. The first method is data gathered by an outside television research firm. All the participants purchase this kind of service at various times. The two types of formal research most commonly used are telephone studies and audience focus groups.

Informally Gathered Data

A second type of data used by all the participants came from informal sources or anecdotal research, which one news director defined as “that which you get by talking with cab drivers” (*ND I*). This unscientific information came from talking directly to viewers through such mediums as ascertainment interviews (*ND B*), town hall meetings, limited one-on-one interviews, and through telephone calls and voice messages left by viewers. Even though this information is not quantifiable, all respondents reported this type of data was an important part of their understanding of the market and its needs.

The Internet

Today all station managers use the Internet as a source of input from their audience. Email from viewers and audience response to on-line polls are just two

examples of how the Internet technology has added to the information news managers receive from their viewers.

ND A: We're involved with groups that do polling on things like how important the economy is, job performance of the Governor, place of religion in society, etc. You take a look at all the information you can get, whether it's generated by you or someone else.

Historical Performance

Still another tool used by participants to gauge the market is the long-term performance of their station and its dominance in the market. Because of consistent high ratings and audience loyalty, these news directors have confidence that their observations and decisions about the market are valid.

ND F: The fact that it is a very strong station in a small market tells us that we don't have to do research regularly...Because of the strength of this operation...we can be somewhat selective in how we're going to go about things.

ND A: We have the image over the last 40 years of being the station that is more serious about the news than the competition.

Two observations serve to highlight a distinction between other businesses and industries compared to local television stations. One is market geography.

Geography

Local television competition is clustered within a relatively small, well-defined area. This is because the federal government issues licenses to the stations within a specified geographic market. Other industries are often widely scattered with the competition literally based around the globe. The automotive and pharmaceutical industries are two such examples with major competitors

headquartered in the United States as well as abroad. The sheer size of such operations makes gathering market data highly dependent on formal and extensive processes³ as opposed to the extended and somewhat irregular cycle of research often found in a television news department.

Value Attached to Informal Data

Another difference is the value local television managers place on informally gathered or anecdotal audience information. This may also relate to the small size of their competitive arena. Because the audience is relatively accessible on a regular basis and there is a long history of leadership in the market, the managers may feel they know the audience on a more personal basis.

Still another aspect of this informal information gathering is the reliance placed on input from long-term employees, long-tenured anchor talent, news department managers with a history in the market, and long standing contacts with community leaders. "We have a culture here, long-term managers. Most of these people have been here at least 20 years" (*ND F*). These all are part of the information process managers use to help define and understand their market.

Data Interpretation

As for interpreting the information and then developing a strategic plan, all participants report using a similar process. These techniques resemble those

³ J.D. Power and Associates is one such research company. Founded in 1968, the company is an international global marketing information firm. It conducts formal market research and according to its company overview, surveys millions of people annually. <http://www.jdpower.com/about/overview/index.asp> J.D. Power and Associates

used by industry models in reviewing market research. Grunig and Kuhn (2002) suggest strategy is usually developed as a product of top management thinking while Daake et al. (2004) state that strategic planning is often done with a relatively small group of people. In this study, the interview respondents all report this type of data analysis and subsequent planning development was common to their station. Small groups made up of the key station and department managers met with the professional researchers who had prepared the research tool, conducted the project, and delivered the final report. The station personnel reviewed it and any recommendations or observations from the research company. "It's primarily done through the consultant, the GM (general manager) and me and we go over it pretty extensively" (*ND H*). The broadcast managers discuss the information, develop an action plan or strategic plan based on their decisions to do certain things and finally share parts of it with other station employees.

ND D: At this station, all the data comes through me as Vice President of News and Operations and is discussed with the management team and department heads... we set a strategic plan, what do we feel we can accomplish from this research. We then share it with subgroups and the newsroom as a whole. Additionally, we share it with some of the production staff.

This final step, sharing of data with other, non-managerial or non-decision making personnel, is a common trait among these successful stations.

Category 2: Staying Current in the Industry

How do participants learn about new trends and changes in the industry?

All participants responded in nearly identical ways to this question. All read trade magazines and papers, taking it upon themselves to seek out information on a near daily basis. The Internet is a key source of market, industry, and technology information. "I'm an avid reader...My daily source is the Internet" (*ND D*). In addition, many cited attending industry events such as the annual conventions sponsored by the Radio and Television News Directors Association and the National Association of Broadcasters. The news directors also rely on informal but regular networking among their peers in the industry.

ND G: You go to RTNDA. You can read the trade magazines. You can talk with people within your own company and other stations.

ND I: ...monthly mandated conference calls among all the News Directors...during monthly conference calls you really got a pretty good sense of what was happening out there from talking with other News Directors...those monthly calls were very important in terms of spotting new trends.

All the news directors report receiving some input from regular outside sources such as television industry consulting firms and sources such as Nielsen Media Research.

Nielsen Ratings

There is one other critical and universal method all respondents use to gain market knowledge, the Nielsen Media Research ratings. All but one of these markets rely on the traditional Nielsen diary and quarterly ratings reports to give them crucial information about their position in the market compared to other

locally viewed broadcast outlets and an analysis of their audience by various demographic descriptions. The respondents use the ratings reports as another source of formal, quantifiable audience information. “One (information source) of course is Nielsen” (*ND C*). One of the news directors works in a Nielsen metered market and receives this information in a daily report. “We are a metered market now so we get overnight ratings and diary reports from Nielsen” (*ND E*).

Ratings as Key Performance Indicators

The importance of the ratings has a significant impact as has been previously discussed. Maintenance and growth of ratings become a key factor as local television news managers develop their planning effort. As the key economic indicator, managers work to plan and produce daily news programming that draws large, loyal, and, they hope, a growing news viewership. Ratings (and the accompanying revenue that results from good ratings) act not only as an industry measure but also as one quantifiable method which they can use to evaluate the success or failure of their planning efforts. Did the specific actions they employed make a difference by increasing or supporting their strong ratings status?

ND A: The quantification is done with revenue. It is a business, and ultimately that’s what you look at. Also, the ratings.

ND D: We do research and develop a strategic action plan. It’s what we have to do to get a bigger share and keep the viewer from going away.

ND E: Ratings performance would be the primary way.

ND F: Having a successful report in our hands in December after the November book is the most obvious way (of judging performance).

ND I: Well, one drags the other along (ratings and revenue), that's for sure...obviously you want to gain a larger share of audience. Either your ratings grow or they don't.

Ratings as the Goal of Strategic Planning

A strategic plan as generally accepted in the business world suggests a long-term vision (Grunig & Kuhn, 2002) with tactics developed to implement the plan and achieve the defined goals (Gershon, 2000). The benchmarks by which the tactics and the overall plan are measured are generally the key performance indicators of that industry.

But for local television news managers, ratings as the key performance indicator (KPI) is so important to the overall health of the station, that *it* could be considered the goal of whatever plan is developed. Therefore, methods stations use to maintain their strength in the local news arena, grow ratings, and cultivate a strong audience relationship become tactical efforts.

Quality Product from KPI Effort

What is crucial to understand is that these tactics -- the individual elements that make up the overall newsroom strategy to achieve good ratings -- have another result which fuels a simultaneous agenda for news managers respondents. They believe the effort of focusing on tactics or elements, which distinguish their station from the competition, results in not only solid ratings but also makes them quality sources of information, journalism, and community involvement within their respective markets.

Category 3: Core Competencies

What elements set the station apart from its competition?

For a company or business to be successful, it must develop and sustain a competitive advantage over others in the market.

Business: Competitive Advantage through Core Competencies

Porter (1998, pg.59) suggests that companies develop certain unique qualities by making deliberate choices – what it wants *to* do and in “choosing what not to do.” The results give the company a unique identity and competitive advantage (Porter, 1998).

Prahalad and Hamel (1990, p. 4) in applying the term core competencies to industries, defined the phrase as “...Collective learning in the organization, especially how to coordinate diverse production skills and integrate multiple streams of technologies.” The authors suggest that core competencies are not a limited resource. Instead, they believe the qualities grow and become stronger the more they are used within a company.

Still another definition describes core competencies as those elements which give a business a defined and significant advantage over its competitors while giving a unique value to its customers (Quinn, Doorley, & Paquette, 1990). But the least complex way of considering what may be a core competency comes from Vadhanasiripong (2000, pg. 6) who states it is “...simply something a company does better than any of its competitors”.

Television and Core Competencies

In the television industry, Chan-Olmstead and Kang (2003) identify core competencies as those elements which gives a company a clear advantage over its competitors. In that regard, each news director had a very clear idea of the unique attributes that distinguish their department from market competitors. One of the prevalent traits identified as a core competency by nearly all the news directors was the importance of the staff, the culture of the station which fostered a sense of pride, value in the work being done, and a sense of professionalism.

ND F: The big answer is culture...It helps us recruit better. We get better employees. We are able to get the cream of the crop employees.

ND D: We're different; our people stay. We provide quality training and continuing education.

ND C: It's our people...our people are more committed. It makes a difference.

ND B: It's a matter of having a team know when they need to work 25 hours a day and when it's not necessary, and having the desire to do that. When it comes to the big story, everyone wants to win it, but not everyone wants to prepare for it. We prepared extensively for election night coverage and it showed on the air. It didn't happen by accident.

The Audience as a Core Competency

Another common thread that a number of the stations believed set themselves apart from the competition was the relationship they fostered with their audience.

ND A: ...we get involved in the community with our anchors and department heads selecting the community service projects and public promotion projects that allow us along with the community to reflect on its desires for itself, i.e., how to improve life. Third, we

support community causes financially. We give to fundraising efforts in the community.

ND F: ...we are asking them (the audience) to join us in sharing information...We ask them to trust us...We gain the confidence and respect of the community.

Content as a Core Competency

In every case, at least one or more of the elements described as core competencies by these news directors were content oriented, the kind of very specific coverage a local television news operation traditionally supplies.

According to the respondents, the difference that sets their product apart from the competitors is the quality of the coverage.

ND C: ...weather, health, education, crime and breaking news. People know we will cover those things day in and day out. They are our staples.

ND H: It's the way we respond to breaking news, top stories, in-depth investigative stories, etc. We take pride in the fact that we try to be fair and factual. We don't do a lot of live shots for the sake of live. We cover the state a lot more thoroughly, particularly the state government.

ND G: ... aggressive coverage of local government.... Weather coverage is very aggressive. No one else is going to do more than we do. We spend a lot of money on weather technology.

ND D:...the things that set us apart from the competition. Our strategy comes from the core beliefs of our talent and from being a family-owned station in the state. We're involved in charities in the community. Our journalism needs to make a difference.

ND E: Our primary differentiator for us, our talent, is like the Dean of the market. Our anchors are long tenured anchors who certainly differentiate us from the competition....anchors that cover the news.

Price of Entry Issues

These news managers believe there are certain essential coverage issues that every station must or should address on a regular, even daily basis. “Good stories and being the best with breaking news. I’ve always thought that there are the price of entry issues...Everyone tries to compete in those areas” (*ND E*). The issues most common to the nine stations were: quality news coverage; weather coverage; on-air employees/staff in whom the market has trust and with whom there is a history; well recognized high standards for journalism; and community involvement leading to trust by the community in the information offered to the public.

Because of the emphasis and long-term commitment placed on these key coverage areas, they have become core competencies of the stations and provide what the news managers believe is a recognizable value to the audience. As the discussion moved its focus specifically to strategic planning in the newsroom, it became evident that nurturing and developing these core competencies were key parts of the plan itself.

ND E: The far greater challenge (in strategic planning) is staying on course once you’ve decided whether you’re going to be an apple or orange. It’s back to core competencies, values that viewers believe you have...It becomes a matter of trying to be more faithful to those things.

Category 4: Strategic Planning

How do participants define “strategic planning” in their newsroom operation?

Strategic planning has become a key part of modern business management as discussed in Chapter 1. From the business world perspective, strategic planning is a way managers develop long-term goals based on information about their marketplace and competitors. The process allows managers a way to allocate resources, mediate differences within organizations, and ultimately, develop a market position which makes the company successful. Strategic planning differs from tactical or short-term actions. Gershon (2000) characterizes strategic planning as the long-term plan to ensure the company's successful future in the marketplace. How that plan is executed and how those goals are realized become the tactical or short-term efforts by the company and its management. The business world has been undergoing transformation for many years (Porter, 1998), but the pace of that change has increased making today's business situation more complex and difficult to sustain a competitive advantage (Cormican, 2004). Nevertheless, business definitions of strategic planning are based on the understanding that such efforts are long-term in nature suggesting company goals that may be several years in the future.

Television Strategic Planning: Ratings/Sweeps Impact

When discussing the world of local television and specifically television news, the notion of time collapses into days, weeks, and months. Local news managers look at a planning process, at least in part, in terms of the four Nielsen rating surveys per year at which time they are judged and the results become the basis for selling advertising time on the station. Because station performance is

evaluated by customers (the audience) every three months, the actual content and the actions that are “planned” become very specific with a tight focus by managers.

ND F: We spend time on optimizing the sweeps periods. We don’t plan too far in advance, partially because of the number of people available. Our staff is only about 28 people. We do it when time allows.

ND A: The industry is so dynamic that planning out the next five years is kind of difficult when most stations are looking just to the next book.

ND B:...we have a day-by-day calendar for each sweeps period, probably a month to a month-and-a-half out. There are changes that will come to it (the planning calendar), but in a market our size the emphasis is on those four months (February, May, July, November).

Television Strategic Planning: Fast Paced

How each of the nine respondents defined strategic planning in their news environments depended in some measure on market size and past experiences. But also central to their definitions was the fast-paced environment in which local news operates. While quarterly evaluations by viewers that carry a tangible economic impact (sales based on ratings) may seem to be a fast turn around time, some stations receive those audience ratings numbers on a daily basis. Long-term planning can devolve into daily planning.

ND E: For us, it’s (strategic planning) fairly short-term planning. We try to look ahead 5 years for budget purposes, but really we’re on a yearly cycle, and in many ways, it’s a 48-hour cycle. Television news moves quickly and responds quickly and it’s a competitive business so we don’t do a lot of long-term planning.

ND A: Time is the biggest roadblock. This is a business driven by today, tomorrow, or the next newscast. In many stations, they don’t care about planning three months out because they’re worried what

they're going to do three months out. The impetus isn't there to do anything. Are you really going to spend your time working on three years out when its three months out that you're going to measured on?

Television Strategic Planning: The Importance of Planning

Yet, despite time pressures and other market environmental issues, the news directors have a clear understanding of the importance of strategic planning and the need to look at the future of their news effort. This forward-looking attitude goes beyond the quarterly ratings cycle defined as "sweeps months."

ND C: This business is stressful enough, but if you plan for it, it's easier. We try as much a possible to work down the road. We have just started as a station to work from a 2005 calendar. That's community events, sales-oriented shows, news events. Strategically identifying what we're going to do ahead of time.

ND F: We sit down and look forward at the beginning of every year. Being where we are in the market (number 1 in ratings), the strength, gives us some leeway.

It is clear that for all the participants the importance of planning for the ratings sweeps periods are of critical concern. Nevertheless, for some stations and in some areas, strategic planning takes a longer-range view.

ND I: Strategic planning is upwards of about five years and there are certain things you can effort to plan five years out. That's not that uncommon anymore. Far more difficult is once you say this is the plan for the next five more years, is staying with those goals and not being thrown aside by a bad financial quarter or say a wild hair that someone on a corporate level may have.

ND H: It's a long-term vision of where you need to head and what you need to have in place. We did that pretty extensively in the early 90's. You look at personnel decisions and make sure your product stays fresh. Long-term planning may include specific shows.

In some cases, a more business style approach to strategic planning was the result of a corporate policy or a system used by the station's top manager.

ND G: We would have strategic planning meetings each year and they could be based on research or what we thought needed to be done. We sent out schedules at the beginning of the year with both short-term and long-term things we needed to get done. We also had monthly department meetings. Everyone brought their strategic plans with them and we had timetables for things in the plans that needed to get done. It was very aggressive.

One news director reported using a business strategic planning approach called the Balanced Score Card as part of the station group policy. There is a designated senior manager who serves as coordinator/trainer. The BSC approach is used by the two stations in the group, both at an internal level for each station and as a way the two stations can coordinate company wide planning.

ND E: We're much better planners than we were...(We) employ teams that meet and propose initiatives for the station and then they are decided upon by the department head group and are given a scorecard and measured by date-sensitive, deadline-sensitive.

Market Awareness and Plan Adaptability

Two other elements that are key steps in Courtney's (2001) suggestions for developing a useful strategic plan are honest evaluation of the market and realization that the plan is a living document which needs to have flexibility in case of change. The respondents in this study also looked at market knowledge and the issue of flexibility as important to their definition of strategic planning.

ND G: Your strategic plan should be a living document.

ND B: Knowing your market and community and know what's important to you and when it's going to happen, and being prepared well in advance of it...

ND D: Any plan you develop has to be flexible. You make your plan based on the personnel you have on hand at the time. If the personnel changes, you have to change the plan. Barring that, your plan has to be firm enough that you don't deviate from it.

ND A: You have to do strategic planning in two ways, short-term and long-term. You have to be able to do it quickly if there's a new development. On the other hand, you have to see where the audience is going and what the audience is doing. You put all the information that you get together and if you're doing long-term planning you say this is where we're going. If it's short-term, you say O.K. let's get busy and do it. You have to know where you're going.

Television Strategic Planning: Choosing a Course of Action

One of Porter's (1998) tenants relating to strategic management is the necessity of company managers to make informed choices. This leads to their ability to plan strategy and the tactical actions needed to execute that strategy to a successful conclusion. That thinking is also present in local newsrooms.

ND G: It's not what you can do it's what you choose to do. So, it comes down to how well you execute. I think in the past, television stations and news departments were not run in a business like fashion. Now, things are more managed.

Television Strategic Planning: A Trigger Point

Courtney's model (2001) states that companies should identify trigger points, clear pre-determined events that signal the strategic plan may need to be reviewed. There were a few instances where the participants worked in environments in which pre-determined reviews took place.

ND G: We also had monthly department meetings...You couldn't escape it, because we checked up on everyone's plans once a month. It was enforced discipline. The end result was everything got done...Because of our process, you couldn't get lazy. There were checks and balances for the plan.

ND E: Once a year for longer term strategy. Quarterly for shorter-term strategy and that's mainly driven by ratings.

However, for most of the participants, reviews occurred on an as-needed basis. The "trigger point" often depended on various criteria specific to that station.

ND A: The catalyst would be someone like me saying O.K. we have this plan out here and is anyone paying attention to it? Does it mean anything or is it a wasteful exercise? You need some type of end of the year or beginning of the year review.

To understand the reason for this very common approach to plan review, it is important to remember two things. First, as discussed earlier, much of television news planning is of a tactical nature. Strategic plans often revolve around the need to maintain and grow core competencies of a station that define its position in the market and its strength with the audience. Also, the impact of quarterly ratings periods means that planning, by necessity of time, requires frequent review. The review process is not necessarily of long-term goals that may or may not be top of mind with managers, but of the tactics used to produce successful results as measured by the KPI, key performance indicator of ratings.

ND C: We review frequently. The closer it gets to the event we review almost daily. What have we left out? Do we need to change something? We also review afterwards. Did we make mistakes, leave something out? How can we make it better the next time? We've gotten it down to a science.

ND B: Before it's executed we modify it at every meeting, depending on how often the meetings are held. We always open it up to brainstorming to see if we are leaving anything out.

ND F: Our planning tends to be fairly short-term and so reviewing and modifying is either daily or recognizing that the next time around we won't do that again.

ND D: I would say almost weekly, or daily. Whenever your deadlines are near, you review and see how it's going and decide if you need to change anything. Sometimes it's just haphazard.

Sometimes the catalyst for plan review is simply a problem.

ND H: When something goes wrong, you go back and say let's look at this again...We have weekly meetings and try to be proactive rather than reactive to things.

ND I: Sheer panic. The projections aren't meeting. Financial performance.

Category 5: Quantifying Success or Failure

How do participants define or quantify successful implementation of a strategic plan?

In the corporate world one aspect of strategic planning is determining if it has been successful, if the goals have been achieved. Measures by which companies gauge success or failure of actions and plans is through key performance indicators. As discussed in Chapter 1, key performance indicators, or KPIs, are measuring tools universally accepted within a given industry. They allow managers to monitor long-term performance (Freeman, 1995) and compare competitors within the same industry.

For television, the universally accepted benchmark is the Nielsen ratings system, which acts as the basis for establishing sales prices for advertising time and has an impact on programming for stations and networks (Buzzard, 2002).

ND F: Direct response, phone calls, e-mails, letters immediately following special reports are a good indicator. Ratings numbers are the biggest response...

ND H: The biggest way is to look at the ratings book.

ND I: On a fiscal basis, it's looking at expenses... That's pretty easy to do because you're talking about dollars and cents...(Regarding ratings) obviously you want to gain a larger share of audience.

However, in addition to ratings, local television news managers use other methods of determining successful execution of a plan, some of those measurements more informal than others. Professional evaluation of the product quality and impact on the news effort are key evaluation tools.

ND B: It's the final product. You review that and first by what went on the air and then how well it operated behind the scenes. We will sit down after a large event is over and pick it apart.

ND C: How it looks on air and if it was technically flawless. If we got the information across, and whether or not the team was overly stressed in getting it done.

ND D: In the perfect world you do some follow-up research. We don't have the money to do that, so you just go back and look to see if you are doing what you set out to do... by watching the newscasts and seeing whether or not that was accomplished.

ND E: A lot of the stuff is on-air product, so once it's up and running, it's considered accomplished. We then monitor it and see how it works...We set deadlines...

In situations where a more corporate-like planning structure was in place, quantifying results was also a structured process with successful outcomes reflecting on managers' performance reviews.

ND G: There was a lot of work put into the plans. It wasn't just slapped together. It was also part of the performance appraisals for the individual managers... We judged whether we were successful by

the results of the next research project. Also, if the ratings improved.

Category 6: Keys to Successful Strategic Newsroom Planning

What characteristics contribute to implementing a successful strategic plan?

This broad category was developed to code responses that reflect the unique nature of a local television newsroom compared to a large company or corporation. The question asked for the expert opinion of the respondent news managers based on their total years of experience in broadcast news, not just time as a senior news manager.

Among the hallmark characteristics of a local news department is its staffing size, the relatively small geographic area that defines the market, and the proximity of the competition. These latter two were discussed earlier. However, the issue of staff size plays a significant role in how the respondents described the key qualities to successfully execute a strategic plan.

Television Newsroom Staffing

The average number of people employed in full-time positions in a local television newsroom varies depending on market size. The largest market involved was market 57 and the smallest 138. In 2001, the most recent figures available on this subject showed the average number of full time personnel employed in markets 51 through 100 was 35.1. In markets 101 through 150, that figure was 24.7 people (Papper & Gerhard, n.d.). According to the authors, this reflects an increase over the previous five years.

To provide some level of comparison, the United States government's Small Business Administration defines a small business in various ways, including the number of employees. The SBA recognizes that different industries have different employment requirements so that a small business in one sector may differ in size from a small business in another industry sector. However, in 2002, the SBA said the standard number of employees in 75% of manufacturing industries was 500 people. In the wholesale trade industry, 100 employees were considered the size standard for a company to apply for an SBA loan (United States Small Business Administration, n.d.).

Another aspect of employee headcount is the physical plant of most, if not all, local television newsrooms. For example, the physical design of a television newsroom fosters close proximity of employees. In the author's experience of over 30 years in local television news, all of the newsrooms (nearly 100) were designed in a similar fashion. The main working area contains cubicles and/or desks for most employees. At some point in the day nearly all employees interact at a certain level as they work to produce the station's daily block of news and information programs. This daily physical interaction differs from many other kinds of companies where employees may be separated by working conditions, such as manufacturing lines or even physically separate office/factory buildings. The regular personal contact creates a newsroom atmosphere which encourages discussion of issues with an impact on staff, product, and working conditions. A topic such as a strategic plan introduced by top managers would certainly fall into

that area of discussion at least at some level. Consequently, what makes the relatively small number of people employed in a local television station newsroom significant is the importance managers place on employee input, communication, and interaction as keys to successful strategic plan implementation.

In their study of how small to mid-sized businesses use strategic planning, O'Regan and Ghobadian (2002) identified eight roadblocks to implementation encountered by those small companies. Of the five specifically internal to the companies, four (1, 3-5) revolved around communication and coordination with employees.

1. Inadequate communication
2. Implementation took longer than expected
3. Employees were unable to perform the necessary functions
4. Overall strategic goals were not clearly understood by the staff
5. Implementation efforts were poorly coordinated

The study respondents clearly understood these potential problems and defined successful plan implementation by the importance of staff "buy-in" and clear communication.

ND G: Part of the problem is when you don't get enough people to buy into what you're trying to accomplish...You have to find an effective way to disseminate the information and get them to buy into the plan.

ND A: Generally, what stands in the way of things being successful is people don't buy into it, managers or other people. Or it's not implemented by the managers.

ND B: You have to have full cooperation...You have to have that for anything long-term to work.

ND C: The reason it works is because of good communication. The reason it doesn't work is because of a lack of communication.

ND D: Once the plan is developed with more than just the news manager's voice heard, i.e., anchor team, a producer, etc., everyone has to buy into it and help develop it...At XXXX, they didn't do that. They brought all the producers in and just laid the plan in front of us. We weren't part of the development and had no input.

Television Newsroom Culture

There are other aspects of successful plan execution identified by the respondents relating directly to the staff and importance of people management. In considering their entire professional experience in local television news, each news director directly or indirectly mentioned the necessity of teamwork and openness with the staff and within the station as key elements of successful plan implementation.

ND F: We get input from anyone who wants to give it...We have a culture. It's not so much a right and wrong way, but a way of doing things, of experimenting with things. Everyone can be part of the learning process.

ND C: We run this newsroom as a team and it takes everyone to get something on the air... As a team of managers, we back each other up.

ND A: The keys to successful implementation are people that are invested in the concept. Someone that is willing to say that you need to do this, you can't just be sitting here thinking short-term, you have to think about where you're going with the business and you have to have the information. Then you need someone to say let's take this information and make a plan.

Television Newsroom Attitude

Just as there was importance placed on informal information gathered about the market from audience interaction with the television station, so too is importance attached to attitude within the news operation. The atmosphere of the newsroom is a part of the success of implementing any plan or initiating any effort.

ND E: A key ingredient to success is not being complacent and working hard everyday to be number one...(people) need to feel like they are successful. I've seen a lot of stations...where the atmosphere at the station was defeatist...

ND B: Everyone gets along well here and that really helps with the atmosphere of the newsroom.

Television Newsroom Managers' Responsibilities

The respondents in this study were all veteran news professionals with multiple years not only as managers but in the industry as well. Based on their experience, a level of self-confidence is another factor in how they interpreted strategic planning, developed their plans, and evaluated the outcome.

ND C: I don't run this newsroom based on what the other stations are doing...I don't want other people to determine what I do.

ND F: ...we have the great strength of being able to define a lot of things here... As long as we're telling good stories, we're okay with that...We try to be responsive to viewers and making sure we're giving them a good product as we go.

ND H: You have to have good instincts for things... You don't want to have knee-jerk reactions to things. You need to be on solid ground when you make changes.

ND G: Successful television news comes down to someone paying specific daily attention to the product.

ND I: It comes down to moral courage. After taking the time and making the decision that this is what you're going to do to having the moral courage to stick to the plan.

Category 7: Use of the Station Website

Do you use the website to push viewers to news?

This last category examines the use of the station's website as a driver or contributor to the local news effort. With the significant growth of on-line news as a key source of information for many Americans (see Table 1), do local stations incorporate websites within their planning process? The answer among the study participants varies from station to station. In some cases the website is a key part of the news equation and is used to break news before the traditional on-air news programs.

ND A: I believe in the website as content. It is a way to reach our whole market's viewers at times when they're not watching television, during the workday. We have opportunities to reach our competition viewers and promote our newscast.

ND H: It's very important. You're almost running a separate television station. Company-wide, we've made a significant commitment to the success of the website.

There are some stations using websites in other ways, such as developing newscasts exclusively for their website (*ND I*) then streaming them, essentially creating another "television newscast" on the Web that is immediate.

For other managers tracking the actual use by viewers of the website is difficult but anecdotal information suggests it is a successful part of their operation. "I get feedback from vendors and such who are amazed at the number

of hits that we get. Our website is an adjunct product. Only one of the competitors in this market has a website” (ND F). However, despite the managers’ own confidence in the power of the station website, for a number of operations it is still not an integral part of a focused planning effort and in some cases it is an economic issue.

ND E: Not very well. We have a good website and a webmaster (and)...one employee in the newsroom that produces content for the website and we do a good job of pushing viewers to the website. We don’t do much of a job of pushing people back...It’s more of a one-way street.

ND D: I think stations that do websites very well can use it to push people to the newscasts. We don’t do it very well...It’s not a big thing for us...We are a rural area. ...The Web hasn’t gotten to be a priority for us because we’re working with limited money.

ND B: Our Sales department has had problems with it...I don’t know what to tell them as far as how to sell the website. For us, it’s just more of a service.

With research continuing to show the strength of the Internet especially among younger viewers who are less likely to watch local news (editorsweblog.org), the potential impact of the station’s website may be diluted unless it is brought into the planning process as another facet of how to differentiate the station from its competition.

Research Questions

In Chapter 1, four research questions were proposed. The results of these nine in-depth interviews are detailed below.

RQ #1: Does the news director have what each believes to be a strategic plan that resembles the definitions used by the corporate world?

Corporate world definitions of strategic planning suggest a number of common characteristics. Examples include creating long-term goals that may be several years from fruition; using information-based planning related to the marketplace, customers, and competition; allocating resources; developing a successful market position; and using short-term actions as tactics to achieve the goals of the overall strategy. As discussed, the environment in which local television news operates forces significant modifications to the corporate world's notion of strategic planning. However, the participants in this study clearly use many traits of strategic planning which they have adapted to their needs.

Commonalities among News Planning Processes

All of the news directors have an overall strategic plan against which they operate their newsrooms. There are differences. Each plan reflects aspects and focal points specific to the market environment of the station.

Time Frame

Strategic planning suggests a planning horizon that can stretch for several years. However, in television newsrooms this is not the case. For example, all the news directors look ahead at least one year, and, in a few cases, as much as three to five years. But the speed with which circumstances change in a local television news operation make that kind of planning horizon very unclear. Several respondents stated that long-term plans usually revolved around equipment and other capital investment rather than news content and marketing.

Planning Goals

The managers usually engage in an annual review, goal setting, and planning effort in which they focus on two major targets: Known future events and the development of key areas they want to improve or grow and what actions will be needed to achieve those goals. Often these new efforts or goals are suggested by information from market research, ratings results, or other data sources which may be informal but considered reliable.

Sweeps Impact

To different degrees the economic reality of the sweeps measurements has a tangible impact on planning efforts of all the stations. Sometimes the effort is more sweeps-specific. This shorter term, more tactical approach resulting in long-term success is partly due to the evolution of the individual station and the general stability of the specific market as reflected by ratings and formal audience survey research.

Tactical is Strategic

In what may be considered another deviation from the corporate definition of strategic planning, major events, whether sweeps or opportunities specific to the market (for example, the retirement of a beloved anchor and the introduction of his/her replacement or the dedication of a major civic addition such as a presidential library or new sports franchise), become little strategic planning opportunities. Plan review of these projects are frequent. Resources are allocated by managers to succeed in these scaled down planning efforts. A key

point of interest here is that the events targeted for special development or the way in which they are covered often reflect the core competencies of the stations or underscore the intangible commitment the station managers believe is their responsibility to their community and audience in general. It can be argued these specific events play a part in the greater strategic plan of the station to secure and increase its value in the market.

Therefore, although several respondents reported using a corporate-like strategic planning approach at the station level, none of the managers use a planning process in the newsroom that actually mirrors a corporate model. Instead, these managers have modified the elements of the corporate model to fit their own needs, thus creating a new definition of strategic planning as it can be applied in the local newsroom.

RQ #2: Are there similar elements within those news plans?

The respondents used nearly identical planning tools and processes to create individual newsroom strategies and deal with issues considered to be important to both the station and the audience. With the exception of the Internet, all have been in use by local television stations for many years.

Common Influences

Several characteristics common to each station contribute to these similarities. Based on Nielsen ratings data, the stations in this sample each enjoy a well-established position in their respective markets. The universal influence of Nielsen ratings and sweeps also has an impact on how strategic planning is

conducted and contributes to similar procedures. All respondents strongly support the use of planning and believe it to be highly effective. All respondents gained practical experience in about the same era, were exposed to the same issues of technology changes, station sales or owner/manager changes, economic changes within the market, and other influences that have affected the broadcast industry over the past twenty years. It is not surprising that these professionals developed similar ways of tackling the strategic planning process which for them have proven very effective.

Planning Traits in Common

All respondents strongly support the use of planning and believe it to be highly effective. Traits common to the news directors' planning processes include:

- Reliance on professional research as often as possible to understand the market and audience
- Respect for and reliance on informal information gathering from individual audience members and other personal interactions
- A keen focus on the sweeps periods for which Nielsen ratings serve as the industry KPI, key performance indicator
- Initial consideration and development of overall plans and goals by a small management group; then the information loop is expanded to encompass a significant number of staff
- Respect for the need to have input from staff; belief in high degree of communication; and an appreciation of the significant value of personnel support

- Employing tactical actions such as events or special projects to achieve larger strategic goals which include improved ratings, revenue growth, and increased audience loyalty
- Significant planning for individual activities or events which incorporate frequent and regular review, both traits of the corporate strategic planning model
- Universal belief in the value of what each station's news effort is seeking to provide to its audience

These common attributes suggest that there is an approach to planning used by local managers reflecting a level of strategic planning as they have defined it. While not mirroring a corporate model, within the local television news environment this overall approach suggests that an informal television model may exist.

RQ #3: Are there common tactics, planning elements, or other tools used by all news directors in their stations in developing strategic plans for their departments?

As shown by the responses to RQ 2, there are clear similarities in the type of planning tools used by each of the sample news directors to create a plan. Analysis of the answers to RQ 3 reveals that these news directors use very similar methods to develop strategic plans.

Information-Based Planning

All use both purchased audience research data as well as information about the market, competition, and audience that is gathered informally. The Internet, peer-to-peer communication, and Nielsen ratings data contribute significant insight about trends in the industry, new methods or approaches to

solve problems common in local television newsrooms, as well as providing new ideas to improve the news product and, ultimately, affect the ratings and audience share. The news directors rely on a few other outside sources for help in strategic planning, most notably professional television consulting companies. The expense of this outside source is a limiting factor in some way for all the stations. Nevertheless, professionally conducted audience research is regarded as critical in evaluating a station's news efforts.

Personal Experience

The respondents all referred to intangible methods they use in developing strategic plans. For example, the impact of confidence gained by successfully developing news programs and teaching staff; affecting a successful turn-around at a weak station; and the experience from years of practical hands-on work and personnel management are important tools used by these managers in creating strategic plans.

A generally low level of concern for what the competition is attempting reflects another aspect of the role personal experience plays in considering both daily operational issues and longer term planning efforts. All the managers agreed they paid attention to their competitors but that their goals and priorities were defined by how they defined market issues and audience needs.

Core Competencies

The effort of strategic planning among these news managers also focused on maintaining and improving their station core competencies. These attributes, described by one news manager as “pillars,” are seen as key pieces in the success of the station. Methods to keep these core competencies strong and improve them become tactics in the overall strategic plan. Therefore, despite the individual issues each local news market faces, the methods used by news managers to create a viable strategic plan appropriate to their situation are very similar.

RQ #4: Are there keys to successfully implementing long-term plans which are common among the surveyed news managers?

The responses to this question reveal significant agreement among the sample in two areas. First, the managers identified many of the same key factors as critical to successful plan implementation. Second, only two indicated any use of a formal planning procedure. But even these two managers mirrored their counterparts in isolating specific traits within a station’s newsroom that contribute to successful planning. The most common of the traits cited can be grouped into four general areas.

Staff, people, and the internal attitude of the station were universally named by the sample as key elements. Creating and maintaining a high morale level and a positive or achievement-oriented atmosphere becomes self-fulfilling.

ND E: an atmosphere where people are proud of what they do and enjoy and celebrate the success of what they do, that feeds on itself...The flip side of that of course, a big obstacle to success is

when you have a morale that is negative and defeatist, it feeds on itself too and can become a big problem.

A second broad area of importance defined by the managers is communication and what the managers call “buy-in” by the staff. One manager described the efforts in the newsroom as working to make sure everyone is on the “same page” (*ND C*).

Besides fostering a sense of inclusiveness, the managers use communication as a way to clearly identify for the staff what differentiates them from the competition. It is also a way to ensure staff members understand what their individual responsibilities may be and that they will be held accountable. “They have to know what is expected of them and what the consequences will be if they don’t live up to it” (*ND D*).

The other two general areas named as crucial in developing successful plans complement each other: carrying out a true planning process but not over-reacting when there is an immediate lack of success; and staying focused on both daily operational goals as well as the long-range ones. The impact of the Nielsen ratings and the loss of revenue, which may result from weak ratings numbers, can be a powerful incentive to discard a previous plan. One news director described a previous experience in which a long term plan was developed with the understanding that it could take as much as four to five years to effect the turn-around they wanted in the station. But lack of immediate success in the next Nielsen ratings book resulted in the plan being

changed (*ND I*). That same news director offered a more positive example in which the strategic plan was followed to a successful outcome.

Porter (1998) suggests that one threat to a company's strategic position is the impact of the competition. In local television news, one interpretation of that concept is complacency from a consistently strong station. The managers generally agreed that keeping focused on the daily events was critical --"coming to work everyday as though someone is going to beat you" (*ND E*). This tactical approach is necessary in every television newsroom because the product they produce, a fixed-time daily news broadcast, requires short-term planning. This approach is another differentiator between local television news and the corporate world interpretation of strategic planning.

The use of a formal, corporate type planning process is used by only one station. A second manager had experience with a similar planning process in a previous working environment. Both strongly support the value of a formal process but rely heavily on the effectiveness of short-term, nearly tactical efforts that have been described in this chapter.

Summary

This chapter has reviewed the data provided by a series of in-depth interviews as it relates to the broad application of strategic planning in the local newsroom. The results suggest strong commonalties among the participants of this study in the way they think about strategic planning, the manner in which the process itself is conducted, and the value they place on informal types of

information. The results also suggest the methods used by the respondents have similarities to elements in the corporate world's definitions of strategic planning. Nevertheless, the differences are significant. How these similarities and differences resolve themselves and what impact that has on local television news thinking in regard to strategic planning will be discussed in the next chapter.

CHAPTER 4

DISCUSSION AND CONCLUSIONS

This chapter presents an analysis of the data in relation to strategic planning and considers potential applications of the information in a theoretical and practical sense. Included in this chapter is a review of the limitations of this study and ideas for further research.

Contributions of This Study

Local television news is a cornerstone of American broadcast journalism and a primary source of information for citizens. Its environment is undergoing constant and increasingly rapid change. Television stations, and ultimately the local news operations, are responding to a myriad of pressures. Evolving technology, the general national and local economy as well as the specific economy of the television industry, audience perceptions of media, and governmental regulation are just some of those forces affecting the industry. This study offers researchers a first look at an evolving business by analyzing the application of strategic planning as defined by corporate usage and comparing that process to planning efforts executed by a sample of local television news operations. By reviewing how successful news departments define and use strategic planning, researchers may be able to offer insight to other broadcasters, whether in television or other media, as they struggle with maintaining both economic and journalistic strength.

Use of Strategic Planning: Similarities and Differences

At the station level, strategic planning is becoming increasingly common. Managers have instituted business-like organizational systems within the stations as they deal with a volatile economy and the constant pressure to produce solid ratings. Some stations use planning tools such as the Balanced Score Card while others employ formal planning processes. In certain cases the results of formal planning can affect the job evaluation of the managers.

Do these practices, in particular the strategic planning tool, mirror corporate models? The results of this study would suggest the answer is “not precisely.” There are a number of recognized parallels between strategic planning in the corporate sense and what has been demonstrated within local television news departments. For example, a generally small number of top level managers are involved in developing a corporate strategic plan (Grunig & Kuhn, 2002). That is also the case in local news operations.

However, the precise techniques used in various traditional strategic planning models present some difficulties when applied at a more specific, local news department level. The differences between local TV news and more traditional industries, especially those with a manufacturing background, are substantial. When comparing traditional approaches to strategic planning with those generally exemplified by the news directors, analysis of the data suggests these differences directly affect how strategic planning is used and even how it is defined. What can be drawn from this study is that local television news

managers do use strategic planning but it is a system that has been shaped over the years to meet the needs of a unique profession and has become a hybrid model of the strategic planning process.

Strategic Planning: Modified and Adapted

Based on this sample, local news managers use strategic planning as an important part of their organizational effort and they value the planning effort. But, these managers have modified traditional models to suit their own circumstances. The adaptations occur in several of the basic areas associated with a corporate interpretation of strategic planning.

Information Gathering: Formal and Informal

One area in which adaptation is prevalent is the use of market or audience research. Fact-based or formal research is a highly valued tool, but depending on economic circumstances, the purchase of annual or even biennial studies can be uncertain. To some extent as well, news managers use experience as a gauge of whether there is a need for new, updated data as they evaluate the competitive market environment, their own changing circumstances (such as an anchor retiring), and regular information from Nielsen ratings surveys. However, the most noteworthy adaptation of research is the significant value these news directors place on the human factor as key to the successful execution of any news department plan. (In this study, the human factor is defined as their own staff, informal input from viewers, and their own evaluation of situations based on experience and often peer input). This is a modification from the fact-based

corporate data model suggested by theorists such as Porter and executed in studies by researchers such as Mara (2000) and Daake et al. (2004). The sample managers believe using the human factor as a consistent and reliable information source in their planning efforts has been very successful over an extended period of time. The managers' confidence in this hybrid information gathering process is supported by their on-going evaluation of its results as reflected by professional audience market research and the Nielsen ratings measurements.

Planning Time Line

Another important aspect of strategic planning is the time frame in which managers develop goals and tactical actions. Corporate interpretations tend to suggest a long planning horizon that may be several years in development (Gershon, 2000, Naylor, 1983). In one example, a study conducted by Daake et al. (2004) required 16 months simply to gather the data. In contrast, television news requires swift reaction to daily events, even to the extent of minute-by-minute change depending on circumstances in the marketplace. While the sample stations do practice long-term planning, one year was most often mentioned as a standard timeline.

Adaptation: An Advantage to the Customer

How the planning process is accomplished, whether more or less structured, even the type of goals the news department seeks to achieve, are unique to the culture and market environment of the individual station. This can

be interpreted as a positive benefit to the audience served by these stations. Unlike large corporations that produce products from which a standard uniformity is often expected, the attributes of a local news department vary with the market. That can be seen in the examples of the different core competencies identified by the news managers. By adapting both planning goals and processes to the character of the market, station managers in this sample consider their departments better able to respond to the needs of their constituency. These and other adaptations of planning efforts to suit practical needs suggest a new definition of strategic planning can be applied to local television news.

A New Definition: Strategic Tactical Planning

Although large, long-term goals are part of a station's overall plan, the newsroom itself is more usually geared to a strategic approach best defined as strategic tactical planning. The emphasis is on tactical approaches – what tasks and actions should be implemented to reach a stated goal.

Strategic Tactical Execution

The goal or goals may be very short term, perhaps in response to an unexpected event in the market and can vary widely in content and desired outcome. For example, the strategic goal may be achieving better ratings in the quarterly sweeps, improving perception of an anchor talent, creating a positive impact in the community by covering a museum opening, or responding to a severe weather emergency. Yet each situation sparks a strategic planning-like effort resulting in an individual plan with a desired outcome or a goal. Tactical

actions are developed which incorporate many of the elements associated with corporate strategic planning models. A very typical example might be severe weather such as a very heavy snowstorm. Often there is at least 24 hours notice that the event will likely occur and that becomes the timeframe in which the strategic-tactical planning is accomplished. Fact-based data is gathered from station weather experts and other sources relevant to achieving the news goal, small groups initially review the data, allocate resources such as equipment and manpower, and set time lines for specific tactical jobs to be completed. Constant review of the plan and its tactics continues up to and through the event followed by analysis.

Knowing whether the goal was achieved based on the outcome of the planning is often clear within days or even hours. One news manager described the planning process in the newsroom as strategic planning done in both a short and long term fashion, each necessary but dealing with very different elements and issues. All the news managers in this study singled out this short term/long term idea as an integral part of how they carried out the planning process. Within their environment, the concept of short term strategic planning was clearly applied to those things of immediate concern – elections, major civic or community events, severe weather, and sweeps, as some examples. The concept of long term strategic planning was applied frequently to such broad issues as how the station and of course news will deal with conversion in the digital technology realm, the economics of major technology or gear purchases,

an impending station sale or acquisition of another station, or serious decline in overall station revenue. What is important to realize is the distinction between *content* versus *tangible* or revenue items. What is considered strategic planning at the content or execution level of local news is driven by a specific goal and the applicable tactical actions.

Other Potential Adaptations for Local News

While the procedures of strategic planning based on corporate models may be specifically inappropriate for local news operations, managers in this study do use a number of elements in common with corporate planners. There may be other aspects of a corporate oriented strategic planning approach that, when modified to local television news circumstances, may offer a practical benefit to the station and news department alike. One example is the planning device of the “what if” scenario. Naylor (1983) suggests such a tool as useful in helping a company better understand its environment. Courtney (2001) recommends it be used when a company faces multiple potential answers. By developing an appropriate scenario and projecting possible responses with appropriate costs, benefits, and outcomes discussed, the company managers can make a more effective decision. The exercise also provides them with potential rapid responses in case a new development forces a change in the strategic plan. This kind of approach is easily adapted to local news efforts. For example, the sudden retirement or departure for a new job by a primary anchor can create a roadblock to on-going efforts to execute a strategic plan. By playing

out several possible scenarios, a management team may be able to more quickly respond to the event.

Another trait of corporate oriented strategic planning is the point at which the goals are reviewed and the tactical approaches evaluated for effectiveness. Courtney's (2001) format for developing a strategic plan calls it a living document which must be flexible and stresses the importance of trigger points as providing an opportunity for regular review. One news manager described working at a station where the strategic plan was reviewed monthly and occasionally led to changes.

The sample stations in this study use long-term strategic planning for the discussion and acquisition of new, improved technology. These purchases often relate to long-term strategic goals for the news department and can have a direct impact on what the station and news managers believe is part of their core competencies. This kind of planning is not the same as replacing old equipment. It is strategic in the corporate sense of the definition by acting as an effort to enhance the station's competitive strength effectively and efficiently (O'Regan & Ghobadian, 2002). One area where this kind of planning affects the news effort is the purchase of new weather technology. For stations that count superior weather coverage as a core competency, maintaining and growing that advantage is critical. Whether purchasing new technology, responding to situations related to those core traits, or planning program content, reinforcement of core competencies is a strategic goal for these sample news directors.

O'Regan and Ghobadian (2002) concluded that small-medium companies with strategic plans are better able to complete tasks and achieve goals just as large companies did. Based on that conclusion, it is possible that less successful stations could improve their standing by becoming more focused on planning goals to develop a few of their potential core competencies.

Potential Opportunities with Planning Modifications

A question arises when comparing the development of strategic planning in the corporate world and its use and evolution at the local news level. Porter's numerous writings on strategic management, his definitions and use of the concepts of competitive strategy and strategic positioning, and the evolution of his five forces model is just one example of how the corporate world has expanded and developed its approaches to planning. Porter's (1998) approach to competitive strategy suggests that success lies in a company choosing a specific path thus creating a competitive advantage. Porter also warns that such an advantage may not be sustainable because of the five forces at work in any business environment. Applying this to local television news, the managers in this study have indeed chosen specific paths, at least when it comes to content. Their use of specific content elements act as differentiators from their competitors and also serve as foundations for crafting an image⁴ for the station.

⁴ Image is that intangible element which viewers often perceive as the personality or face of the station in the community. Examples such as Toys for Tots and investigative reporting create the sense for viewers that the station is a good community citizen and takes its journalistic credentials seriously.

Growth of a Planning Process

As strategic management thinking developed, Gluck (1985) describes the importance of focus as a route to success for a company. By directing the focus of company growth toward a specific customer base or taking on a specific direction, the company strengthens its advantage. For local television stations, their history is one of *broadcasting*, essentially being one of the few community information sources whose role is to serve everyone. As more stations or competitors enter the field (one of Porter's five forces that can create problems for an established company) the economic foundations in the market are fragmented. Cormican (2004) makes that same observation in the corporate world remarking that it has become more difficult to gain and maintain a competitive advantage.

In an effort to retain and add viewers, the television industry has begun to branch out, either by acquiring additional broadcast properties in the same market, creating partnerships or alliances with other mediums such as newspapers and radio, or focusing their local news efforts toward a specific type of audience. The Dallas-Ft. Worth television market includes examples such as KTVT, the CBS station in Dallas and its sister station, UPN affiliate KXTA (KXTA, 2005) which combine a number of operating systems for both stations; and the Dallas Morning News and its sister television station WFAA both owned and operated by Belo Corp. The growth of Spanish language stations such as

Telemundo's KXTX (telemundodallas.com, 2005) in Dallas (owned by NBC) are examples of niche or targeted news and program focus.

Corporate Planning Growth

However, strategic planning at the business level has evolved over the years and developed a number of different approaches. Some of those include the Balanced Scorecard, foundational planning, goals-driven planning, critical issues approach, scenario analysis, results-based accountability (Social Entrepreneurs Inc., n.d.), and Drucker's theory of business and Porter's strategic advantage (The Association of Higher Education Facilities Officers, n.d.). These are only a few of the many variations on strategic planning, each with elements that can be used by companies facing different competitive circumstances.

Television Planning Growth

For television news, the evolution of planning methods has been much less robust. The news managers surveyed were firm in their commitment to a strong planning effort and supported it as key to the success of their operations. But, instead of a variety of methods used for this activity, the patterns and approaches were all quite similar. That can be explained in part by the similar environments in which local television stations operate, regardless of their size or economic strength. But this traditional approach to planning may limit even highly successful stations from looking at their competitive situations in new and perhaps unconventional ways. Drucker (The Association of Higher Education Facilities Officers, n.d.) suggests that problems develop for companies not

because they are doing things in a less satisfactory manner, but rather because the assumptions of the company and the changing realities of the environment are at odds. Thus the need to re-evaluate the environment and the way in which a company thinks about its environment becomes critical.

For television, one limiting effect to a planning evolution may be the result of a unique aspect of news – the immediacy, fast-pace, and need to act or react quickly to changing situations. That kind of pressure on managers at any level limits the time needed to reflect, develop, and create new or updated approaches to the planning process.

Still another possible limitation is the changing role of the news manager. In many stations, news managers are now responsible for more than just local news. Oversight of activities at multiple properties is not uncommon among managers (Albarran & Loomis, 2003). News directors often do two very different jobs within their stations, especially at smaller facilities. A small market Texas CBS affiliate incorporates the position of news director with that of 5 p.m., 6 p.m. and 10 p.m. news anchor (KXII-TV, 2005). One of the news directors in the study oversees not only the extensive news product at the primary station but also the developing news presence at its UPN station in that same market. The duties of many managers have expanded beyond the basic job description of managing the day's news efforts at one broadcast facility.

Outside Help

In the corporate world, management theorists produce new thinking about how to better approach planning, strategy, and other management issues. In the television industry, that level of support is limited. This suggests a possible need for industry-aware professionals who are not engaged in daily station efforts to focus on the evolution of a potentially new approach to strategic planning, one that may give local news managers an even greater opportunity to be both an economic strength for the station and a journalistically sound member of their community.

Untapped Resource-Potential Strategic Planning Tool

The issue of the Internet and the use of the television station website as a primary support or source for local news presents a still untapped resource for some stations. As the audience continues to seek out information at times not necessarily compatible with local television news schedules, a strong website may be the element that can provide a new approach to strategic planning for the station. Numerous stations around the country have committed time and resources to developing their sites - two of those facilities are represented by news managers in this study. For stations already committed to a strong Web presence, expanding the efforts to make it perhaps an equal partner with the daily news effort could result in a significant impact on the market. For stations with limited website involvement, making this a new priority could be a way of looking at strategic planning from a new perspective.

Limitations of Current Study

The primary limitation was the lack of literature about strategic planning related to the local television news industry. Although volumes of data is available about strategic planning at the corporate level and about the multitude of theories and techniques of applying it, nothing specific to local television news has been published. Therefore, a research instrument had to be developed which was a highly modified adaptation of general industry discussions of what a strategic planning model encompassed. Another limitation was the sample size. With nine local television news managers out of a possible universe of several hundred, the cell size only allows for general observations and not hard conclusions. A third limitation was the selection of the sample interviewees. Each represented a successful television station based on industry standards and each had years of experience in news and as a manager. The study excluded data from less experienced managers, station managers from less successful stations, and newcomers to the local TV news operation. A fourth limitation was the coding process. Only the author coded the responses.

Although these are examples of how this study was limited in its approach and data received and analyzed, they also suggest opportunities for future researchers to look at other aspects of the important role local television news plays in the American media. Several suggestions follow for further research.

Future Research

Local television news with practical application for the local television industry offers a significant opportunity for future research. The importance of local television news remains key to the way in which Americans understand the world around them. Despite all other media options, local television news still draws a large viewership.

Television news is a dynamic industry encompassing a wide range of areas. From a theoretical perspective, future research could address broad areas such as the changing economics of the industry relating to consolidation, ownership changes, and advancing technologies and its impact on daily information flow at the local television news level. Other studies could look at the changing American perception of the media but, instead of targeting the national media, focus case studies in local markets addressing the daily journalistic issues that have an impact on citizens at a personal level.

Other opportunities for research could look at the opposite end of the newsroom spectrum from the work presented in this study. For example, a study could review less successful stations and assess their overall news and/or station culture. How does it affect not only strategic planning efforts but also the ability to execute them? How significant a role does the attitude and atmosphere of these stations play in their efforts to achieve greater success? How do these stations approach strategic planning in the overall station and specifically in the newsrooms?

A question that faces any business, regardless of industry, is how to balance excellent service or product against the economic pressures of the marketplace. For local television news directors, that is an increasingly difficult balance to find. One potential field of study could consider developing an actual profile of a successful station both economically and journalistically. What are the differences between the sample stations and other less competitive ones? An example is the issue of core competencies. The sample news directors in this study were very clear about what constituted their core competencies. They also believed that part of their strategic planning efforts should focus on supporting and growing those attributes, which their audience had identified as strong, positive station traits. Can future researchers identify and codify the roadblocks, which keep less successful stations from greater success thus creating a bluebook for success?

In the area of content and journalistic developments, a target for research could encompass the issue of core competencies. Do less successful stations focus on developing core competencies? Are they identified within the context of strategic planning in order to grow and nurture them, as the sample stations seem to do? What can they learn from what the highly successful stations who do some element of strategic planning?

Still another opportunity for future research could focus on content and local success in the community. One example would be to conduct an analysis of selected local stations which have been recognized over several consecutive

years for high journalistic quality and social/community impact. What kind of audience do these stations draw and how have the ratings been affected over the years? Most importantly, is there a way to directly link what is considered to be quality content (as determined by accepted industry standards) to high revenues or improving revenues?

An industry study geared toward the economic model of a local television station may consider specific characteristics that appear necessary in developing an operation both journalistically recognized and financially successful. Can a model be developed from looking at the organization and approach of these stations? The results of such a study may offer a path for other stations and groups to follow leading to improved service and financial growth.

Summary

This study offers an initial review of strategic planning as interpreted by the corporate world and its practical use in the local television newsroom. The results offer a new definition of strategic planning applicable to local television news -- strategic tactical planning. This hybrid definition illustrates how the news managers in this study use various techniques common to a more corporate interpretation of strategic planning but modify other traits to suit their own needs specific to the news industry.

It also suggests that reviewing the current process of strategic planning at the station and newsroom level, may lead to a new way of looking at all types of research and assessing market development. However, news managers,

immersed in the increasing industry pressures and job responsibilities may not have the time to devote to developing a potentially new way of looking at their planning process. The results of the study also suggest that among experienced news managers, the level of success remains high using the current hybrid form of planning, the strategic tactical model.

No formal or unified system of planning emerged among the participants in this limited study nor was its goal to develop a new system or model. However what can be suggested is that among experienced local news managers, there are common beliefs and approaches to strategic planning that over time have proven successful for them based on industry accepted measurements. Future researchers may be able to expand and possibly codify these commonalities into an approach providing less successful news operations with a strategic planning format applicable to this specialized industry. One beneficial outcome from such a development could be better local news coverage, a stronger overall journalistic environment at the local level, and a better-informed citizenry.

APPENDIX

INTERVIEW QUESTIONS FOR NEWS DIRECTOR SURVEY

1. Gathering Information: How do you gather information about your market?
 - a. How recent or timely is it? Every 6-12 months/18-24 months? Longer?
 - b. How is it coordinated with other data coming into the TV station so that it can be assessed in news department terms?
 - c. Who does the interpretation and analysis? You, or someone else?
2. Assess Your Product: Describe your 'core competencies,' those specific elements that clearly set your news department and product apart from the competition.
 - a. How "fresh" or modern do you feel your product is compared to others in the market?
 - b. Using your best judgment, research, etc., consider this question as it relates to content, needs of the community, and style/look. Is your product as appealing to viewers today as it was in the past? How do you quantify that answer?
 - c. Can/did you financially address the issues in the short-term or are there some long-term issues you just have to work around? (Example: Problems with the tower that limited signal strength)
3. Challenges to Remaining Competitive: How do you learn of new trends or ideas in the industry?
 - a. What about innovations or activities by current competitors – how do you generally get in the information and respond?
 - b. How well do you know your competitors and would you describe your competition as a threat to your position or not? In what ways?
4. Planning: How do you define strategic planning as it relates to local television news in your market?

- a. Do you attempt a formal strategic planning effort and, if so, how long a time frame do you consider?
 - b. Who is involved in this planning process within the news department?
 - c. How do you conduct this planning effort?
 - d. Who makes the final decisions?
 - e. How do you *quantify successful completion* of your strategic plans?
5. Plan Review: How often do you review or modify your plan and what is the usual catalyst for a review or modification of the plan?
 6. Quantifying Effort: Consider two recent strategic planning efforts in the newsroom.
 - a. Were they successful and if so, how did you quantify that success?
 - b. If not, what stood in the way of their successful implementation?
 - c. What specific tactics or specific efforts did you take to try to be successful within the newsroom for implementation?
 7. Attributes and Roadblocks: Thinking about *all your experience in newsrooms* regardless of your own role in those newsrooms, what would you describe as:
 - a. Keys elements to successful implementation of strategic plans?
 - b. Key roadblocks to successful implementation of strategic plans?
 - c. Do you use any “formulas” as aids in planning – Balanced score card, SWOT, etc. and do you use these tools in developing long term content plans?
 8. The Station Website: Do you use a website to push viewers to TV? How do you track its progress?

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