

Iowa community newspapers in turbulent times:

A descriptive study

by

John D. Neibergall

A Thesis Submitted to the
Graduate Faculty in Partial Fulfillment of the
Requirements for the Degree of
MASTER OF SCIENCE

Major: Journalism and Mass Communication

Signatures have been redacted for privacy

Iowa State University
Ames, Iowa

1989

TABLE OF CONTENTS

	Page
CHAPTER I: INTRODUCTION	1
CHAPTER II: LITERATURE REVIEW	10
Small Business Management Problems	19
The Need for Strategy and Planning	21
Planning and Performance Relationship	24
Uncertainty	30
Visionary Leadership	31
Hypotheses	34
Perceptions of Uncertainty	34
Perceptions of Current Economic Conditions	42
Five-Year Outlook	46
Sales, Circulation and Employment Trends	49
Business and Financial Record-Keeping	52
Planning and Forecasting	54
CHAPTER III: METHODOLOGY	61
The Survey Instrument	62
Survey Pre-test	74
Actual Survey	81
Statistical Methods	84
CHAPTER IV: RESULTS	85
Response Rate	85
Characteristics of Responding Newspapers	87
Characteristics of Individual Respondents	90
The "Typical" Respondent	91
Results of Hypothesis Testing	92
Hypothesis 1	92
Hypothesis 1-a	93
Hypothesis 1-b	94
Hypothesis 2	95
Hypothesis 2-a	97
Hypothesis 2-b	98
Hypothesis 3	99
Hypothesis 4	99
Hypothesis 4-a	100
Hypothesis 4-b	101
Hypothesis 5	102

Hypothesis 5-a	103
Hypothesis 5-b	103
Hypothesis 6	104
Hypothesis 7	105
Hypothesis 7-a	106
Hypothesis 8	107
Hypothesis 8-a	109
Hypothesis 9	107
Hypothesis 9-a	110
Hypothesis 10	107
Hypothesis 10-a	111
Hypothesis 10-b	112
Hypothesis 10-c	113
Hypothesis 11	114
Hypothesis 12	115
Hypothesis 13	117
Hypothesis 13-a	120
Hypothesis 14	121
Hypothesis 14-a	123
Hypothesis 15	123
Hypothesis 15-a	124
Hypothesis 16	127
Hypothesis 17	129
Hypothesis 18	130
Hypothesis 19	130
Hypothesis 20	131
Hypothesis 21	132
Hypothesis 22	134
Hypothesis 23	134
Hypothesis 24	137
CHAPTER V: DISCUSSION	141
Decade of Turbulence	141
Strengths of the Iowa Newspaper Industry	141
Weeklies vs. Non-weeklies	143
Large Circulation vs. Small Circulation	143
Perceived Opportunity for Success in Community Journalism Today	145
Attitudes About the Newspaper's Future	147
A State of Small Towns, Small Newspapers	159
Record-Keeping and Planning	159
Conclusions	161
SOURCES CONSULTED AND CITED	163
ACKNOWLEDGMENTS	174
APPENDIX A: T-TESTS	178

APPENDIX B: RESEARCH INSTRUMENT	214
APPENDIX C: COVER LETTER	242
APPENDIX D: REMINDER POSTCARD	245

LIST OF TABLES

	Page
Table 1. Total Perceived Uncertainty by Managers of Iowa Weekly and Non-weekly Newspapers	94
Table 2. Paid Circulation and Total Perceived Uncertainty	95
Table 3. Summed Scores for Eight Possible Sources of Environmental Uncertainty	96
Table 4. Chi-square Values Reported for Publishing Frequency and Uncertainty Crosstabulations	97
Table 5. Chi-square Values Reported for Paid Circulation and Uncertainty Crosstabulations	98
Table 6. Iowa Newspaper Managers' Opinions about the Current Iowa Economy	100
Table 7. Publishing Frequency and Opinions of Iowa Newspaper Managers about Current Economic Conditions in Iowa	100
Table 8. Paid Circulation and Opinions about the Current Iowa Economy	101
Table 9. Publishing Frequency and Opinions of Iowa Newspaper Managers about Their Current Local Economy	102
Table 10. Publishing Frequency and Opinions of Iowa Newspaper Managers about the Current Economy in Their Local Community	103
Table 11. Paid Circulation and Opinions of Iowa Newspaper Managers about Their Local Economic Conditions	104
Table 12. Publishing Frequency and Opinions of Iowa Newspaper Managers about the Current Economic Condition of Their Newspapers	105
Table 13. Paid Circulation and Opinions of Iowa Newspaper Managers about the Current Economic Condition of Their Newspapers	107

Table 14.	Iowa Newspaper Managers' Opinions about Economic Conditions in the Next Five Years	108
Table 15.	Paid Circulation and Iowa Newspaper Managers' Opinions of the 5-Year Outlook for the Iowa Economy	109
Table 16.	Paid Circulation and Iowa Newspaper Managers' Outlooks for Their Local Economy in the Next Five Years	111
Table 17.	Paid Circulation and Iowa Newspaper Managers' Outlooks for Their Newspapers for the Next Five Years	112
Table 18.	Age of Iowa Newspaper Manager Respondents and Their Outlooks for Their Newspapers Over the Next Five Years	113
Table 19.	Gender of Iowa Newspaper Managers and Their Outlooks for Their Newspapers Over the Next Five Years	114
Table 20.	Perceptions of the Current Condition of the Iowa Newspaper Industry by Iowa Newspaper Managers Who Rate Their Newspaper's Condition as "Fair," or Worse	115
Table 21.	Current Economic Condition of Respondents' Newspapers and How Iowa Newspaper Managers Perceive the Current Economic Condition of Newspapers with About the Same Circulation	116
Table 22.	Sales Trends Reported by Iowa Newspapers from 1981 through 1987.	118
Table 23.	Paid Circulation and Overall Sales for 1983	121
Table 24.	Circulation Trends Reported by Iowa Newspaper Managers, 1981-1987	122
Table 25.	Total Number of Employees Reported by Iowa Newspaper Managers for 1980, 1984 and 1988	123
Table 26.	Community Size (ntiles=3) and Change in Employment at Iowa Newspapers from June 1, 1980 to June 1, 1988.	125

Table 27.	Community Size (Quartiles) and Change in Employment at Iowa Newspapers from June 1, 1980 to June 1, 1988.	126
Table 28.	Record-Keeping Activities of Iowa Newspaper Managers.	128
Table 29.	Iowa Newspapers and Formal Long Range Planning	129
Table 30.	Iowa Newspapers and <u>I</u> nformal Long Range Planning	130
Table 31.	Long Range Planning Activities Reported by Iowa Newspaper Managers	131
Table 32.	Short Term Planning Activities Reported by Iowa Newspaper Managers	131
Table 33.	Frequency Distributions Showing How Much Value Iowa Newspaper Managers Ascribe to Planning	132
Table 34.	How Iowa Newspaper Managers Say They Value Short Term Planning Compared with Long Range Planning	133
Table 35.	Use of <u>I</u> nformal One-Month Sales Forecasts by Iowa Newspaper Managers	135
Table 36.	Crosstabulation of Responses Concerning Use of Formal and <u>I</u> nformal One-Month Sales Forecasts by Iowa Newspaper Managers	136
Table 37.	Performance of Iowa Newspapers as Measured by Overall Sales Growth (1981-1987) and the Use or Nonuse of Long Range Planning	138
Table 38.	Performance of Iowa Newspapers as Measured by Circulation Growth (1981-1987) and the Use or Nonuse of Long Range Planning	139
Table 39.	Performance of Iowa Newspapers as Measured by Employment Growth (1981-1987) and the Use or Nonuse of Long Range Planning	140

Table 40.	Iowa Newspaper Managers' Perceptions of the Opportunity for Beginning Professionals to Succeed in Community Journalism Today Compared to the Opportunity to Succeed When the Respondents Began Their Careers	146
Table 41.	Chi-square Significance Values for Nonsignificant Associations Between Four Independent Variables and Iowa Newspaper Managers' Views About the Relative Opportunity In Community Journalism Today	147
Table 42.	Iowa Newspaper Sales Trends and How Managers Perceive the Newspaper's 5-Year Outlook	149
Table 43.	Circulation Trends and How Iowa Newspaper Managers Perceive the Newspaper's 5-Year Outlook	150
Table 44.	Chi-square Significance Values of Variables Tested But Not Significantly Associated With Attitudes of Iowa Newspaper Managers	152
Table 45.	Preparation of an Informal Long Range Plan by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987	153
Table 46.	Time Spent in Intermediate-Term Planning by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987	154
Table 47.	Perceived Value of Intermediate-Term Planning by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987	155
Table 48.	Preparation of Informal 6-12 Month Forecasts by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987	156
Table 49.	Use of Cashflow Analysis by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987	157
Table 50.	T-test of Mean Differences of Iowa Weekly vs. Non-weekly Newspapers	179

Table 51.	T-test of Mean Differences of Iowa Newspapers Published in Smaller Towns (Pop. 2244 or Less) vs. Papers Published in Larger Towns	184
Table 52.	T-test of Mean Differences of Iowa Newspapers with Smaller Circulations (2439 or Less) vs. Papers with Larger Circulations	189
Table 53.	T-test of Mean Differences of Younger (47 & Under) vs. Older Survey Respondents	194
Table 54.	T-test of Mean Differences of Male and Female Survey Respondents	198
Table 55.	T-test of Mean Differences of Newspaper Owners vs. Non-owners Among Survey Respondents	202
Table 56.	T-test of Mean Differences of Respondents Who Do NOT Have A Formal Long Range Plan vs. Thos Who DO Have A Formal Long Range Plan	206
Table 57.	T-test of Mean Differences of Respondents Who Do NOT Have An Informal Long Range Plan vs. Those Who Have An Informal Long Range Plan	210

CHAPTER I: INTRODUCTION

The 1980s have been turbulent years in the newspaper business in Iowa, and in most other industries in the state. A decade that began with double-digit inflation, and interest rates to match, suddenly collapsed into an era of deep recession and debilitating farm crisis reminiscent of the Great Depression. In 1984, this headline summarized the state's agricultural economy: "Iowa Farmers Facing Worst Times Ever."¹

A mood of pessimism swept across farm fields and town squares and became the mindset of rural Iowans.² The gloom of the farm crisis years persisted and spread, to become by 1987 what one rural sociologist termed "a sort of collective depression" infecting entire farm communities.³ Though federal farm subsidies had begun to restore farm incomes by late 1987, the likelihood of continued bailouts were suspect. Cuts in federal farm subsidies for 1988 had already been scheduled, concern over the U.S. budget deficit was fueling interest in slashing such programs, and

¹
Des Moines Sunday Register, 29 April 1984, p. 1A.

²
Ibid., 16A.

³
Michael Hoyt, "A Small-town Paper Confronts the Farm Crisis; How an Iowa Editor, Himself Hard-pressed, Tries to Strike a Balance between Hope and Despair," Columbia Journalism Review, 26 No. 3 (September/October, 1987): 38.

the October, 1987 stock market crash had heightened money tensions in the nation's capital. "I'm not too optimistic about a big recovery in agriculture," one corn and soybean farmer told a reporter.⁴

Meanwhile, the sour ag economy had left towns in the nation's breadbasket "pockmarked by empty storefronts,"⁵ and stripped small towns of their largest retail businesses --the farm implement dealers, building materials stores, grocery stores, etc. What new businesses sprang up in their place in rural Iowa towns tended to be very small, often home-based firms, like crafts stores and antique shops, a type that generally employs few if any people other than the owners. In terms of their impact upon local newspapers, these "cottage industries" typically advertise little, if at all; major newspaper advertising accounts that had fallen victim to the farm crisis would not be recovered from the fledgling businesses that replaced them. The net effect of all of this was "a steadily weakening rural economy."⁶ Other analysts interpreted the effects as "a permanent

⁴ Scott Kilman and Jean Marie Brown, "Blighted Bounty; Rich Harvest Masks Long-term Erosion of Farm Economy," Wall Street Journal, 9 November 1987, p. 1 (W).

⁵ Ibid.

⁶ Kenneth E. Stone, Testimony before the U.S. Small Business Administration Regional Rural Initiatives Field Hearing, Des Moines, Iowa, 8 December 1987, p. 3.

shrinkage of the economic underpinnings of rural areas."⁷

And as if the disappearance of major retail enterprises in rural Iowa cities wasn't ominous enough, Iowans watched farm bankruptcies soar--from 3,915 cases in 1984, to 5,624 in 1985, to a peak of 6,366 in 1986. The 1987 total was 5,837--a painful reminder of a farm crisis that seemed to be finally abating.⁸ With farm failures came the numbing news of bank failures. The worst year: 1986, when the regulators pronounced 11 Iowa institutions insolvent in tiny towns like Williams⁹ and Lone Rock¹⁰, in county seat towns, like Pocahontas,¹¹ and in larger towns like Iowa Falls.¹²

Nor were urban-based banking concerns exempt from economic upheaval. In Waterloo, Peoples Bancshares filed for bankruptcy,¹³ necessitated by reasons not attributed to

⁷

Kilman and Brown, Wall Street Journal, p. 18 (W).

⁸

Frank Santiago, "Bankruptcy in Iowa Hits 5-year Low," Des Moines Register, 5 January 1989, p. 1A.

⁹

"Williams Bank Newest Victim of Farm Economy," Des Moines Register, 21 March 1986, p. 7S.

¹⁰

"Lone Rock Bank Fails; 6th in '86," Des Moines Register, 30 May 1986, p. 1A.

¹¹

"Pocahontas Bank Closes; 7th This Year," Des Moines Register, 28 June 1986, p. 1A.

¹²

"Iowa Falls Bank Is 9th '86 Failure," Des Moines Register, 1 August 1986, p. 1A.

¹³

"Peoples Bancshares Seeks Protection from Lawsuits," Des Moines Register, 1 October 1986, p. 1A.

Iowa's economic woes, but a result, in part, of market reversals in other parts of the country. And an ongoing news story of 1986 was capsulized in the headline, "Hawkeye Bancorporation 'Devastated' by Ag Crisis."¹⁴

What took place in the rest of the nation in 1986 provided an unsettling backdrop for Iowa's fragile banking industry. Nationwide, 138 banks failed that year, more than in any year since the Great Depression, and an epidemic compared to the nation's 10 bank failures of five years earlier.¹⁵ Unsettling, too, was announcement that the Farm Credit System had lost a record \$2.69 billion¹⁶ and that Congress would need to intervene to rescue the ag lending giant from a mounting sea of debt.¹⁷

Just when the farm crisis seemed to be fading into history, and newspaper headlines were cautiously though not unanimously predicting better times ("Worst May Be Over for Small Businesses;"¹⁸ "Study Finds Bank Troubles Less

¹⁴

Des Moines Register, 21 March 1986, p. 7S.

¹⁵

Tom Peters, Thriving on Chaos; Handbook for a Management Revolution (New York: Harper & Row, 1988), 5.

¹⁶

"Farm Credit System Sets Record with \$2.69 Billion Loss," Des Moines Register, 19 February 1986, p. 1A.

¹⁷

"Farm Credit System Eyes \$1.5 Billion Debt," Des Moines Register, 15 August 1986, p. 5S.

¹⁸

Des Moines Register, 25 January 1987, p. 1Y.

19
 Severe;" "It's Unanimous: All Signs Point toward 21
 20 Recovery;" "Pockets of Prosperity Popping Up in Iowa;"
 "Farm Issue Loses Importance in Iowa Caucuses as What Was a
 22 Crisis Becomes Only a Problem;") an intense summer sun
 threatened to singe the budding farm recovery of 1988. One
 report published in The Wall Street Journal that summer
 appeared beneath the headline, "Losing Ground; In Iowa, the
 Drought Might Seal the Fate of the Smallest Towns." The
 account accurately tied the future of rural Iowa communities
 23 to the fortunes of the parched farmland.

The decade of the 1980s brought economic uncertainty at all levels--local, state and national--and uncertainty became the ink with which the rules of doing business were being rescinded and rewritten daily. Accelerating change characterized the marketplace. An Iowa census report estimated that "at least 120,000 more people moved out of Iowa than moved in" between April 1, 1980 and July 1,

19

Des Moines Register, 5 March 1987, p. 6S.

20

Des Moines Register, 29 March 1987, p. 1F.

21

Des Moines Register, 3 May 1987, p. 1F.

22

Wall Street Journal, 24 February 1986, p. 46(W).

23

Wall Street Journal, 30 August 1988, p. 1, 12(W).

24
 1985. Iowa recorded a net population loss of 80,000 from
 25
 mid-1980 to mid-1987 and thus, for businesses, a loss of
 customers.

Trade leakage from once robust small town retailing
 centers to regional shopping malls reduced retail sales in
 Iowa cities of less than 500 population by 30 percent,
 siphoned off 37 percent of the sales in towns of 500 to
 1,000 population and claimed an average of 20 percent or
 more of the retail sales from towns between 1,001 and 5,000
 26
 population from 1976 to 1986. Shifting consumer tastes and
 buying habits, and proliferation of competitors for
 advertising dollars further reshaped the state's business
 climate and the world in which Iowa newspapers exist.

University of Iowa researcher David Swenson says that
 Iowa's past--traditionally "rural, prosperous and
 agriculturally-based"--is colliding with its future, which

24

Iowa Census: Vital Statistics and Other Population
 Components for Iowa Counties 1980-1985, CRD 250, April 1987,
 p. 5).

25

"Losing Ground...", Wall Street Journal, 30 August
 1988, p. 1 (W).

26

Kenneth E. Stone, "Impact of the Farm Financial
 Crisis on the Retail and Service Sectors of Rural
 Communities," Paper presented at the AAEA Symposium on Farm
 Debt Stress, Kansas City, Missouri, November 1986; Updated
 May 1987, p. 2.

is likely to be "more urban, more white-collar and seemingly more uncertain." Reporter Dennis Farney notes that moderate growth in Iowa's urban areas are being accompanied by rural areas "steadily losing ground." One interpretation of this:
"Iowa is imploding."²⁷

Sweeping technological change--a fact of life in the mid-twentieth century in nearly every enterprise--has ushered newspapers from the cast iron age of letterpress and Linotype machines in some shops, through three or four tumultuous generations of photocomposition equipment in others, and into the computer-based revolution of "desktop publishing."

With so much change and uncertainty confronting Iowa newspaper publishers, it is little wonder that coping and "survival" began to emerge as themes of conversations among publishers attending regional and state press meetings.

The greater marvel may indeed be that Iowa's newspaper industry has withstood these intense pressures. Noting that 15 weekly newspapers have disappeared since 1980, Bill

27

"Losing Ground....," Wall Street Journal, 30 August 1988, p. 1(W).

Monroe, Executive Director of the Iowa Newspaper Association (INA), told one interviewer, "Main Street is all the newspapers live or die by.... Given the numbers of foreclosures, bankruptcies, people leaving the state, it's amazing that we don't have two hundred and fifty-five newspapers now instead of three hundred and fifty-five. It's amazing they've hung in there."²⁸

It was in this context that the Iowa Newspaper Association became interested in identifying the perceptions and attitudes of their membership about current conditions and the future of their newspapers. The author learned of INA's interest when the subject arose in conversation with Monroe in April, 1988. Monroe indicated that funding for the research would very likely be provided by the Iowa Newspaper Foundation, an organization founded by INA to provide professional and educational opportunities to the Iowa newspaper industry. The research presented here was designed and carried out with funding provided by the Iowa Newspaper Foundation in an attempt to address these and related questions.

The researcher, formerly an owner and publisher of four Iowa community newspapers in the past decade and a half, has

also brought a strong, personal interest to this study. His apprehension that retailing may be fast becoming an anachronism in cities of less than 10,000 or perhaps even 20,000 population, and thus his concern for the viability of small town newspapers in an increasingly adverse environment contributed, in part, to his decision to step out of the role of newspaper owner. At the same time, an abiding fondness for journalism in general, for the newspaper business in particular, and still more specifically for the Iowa newspaper industry, were reasons the researcher has chosen to pursue a journalism master's degree and to undertake this study in partial fulfillment of his degree requirements.

The Iowa State University Committee on the Use of Human Subjects in Research reviewed this project and concluded that the rights and welfare of the human subjects were adequately protected, that risks were outweighed by the potential benefits and expected value of the knowledge sought, that confidentiality of data was assured and that informed consent was obtained by appropriate procedures.

CHAPTER II: LITERATURE REVIEW

Little research has been done concerning how newspaper publishers and managers perceive and cope with their environment. The trade press offers evidence that newspaper executives have recognized economic threats to their businesses and that they have taken steps to respond. In Texas, where both agriculture and the energy industry experienced harsh recessions in recent years, Fort Worth Star-Telegram publisher Richard L. Connor told an interviewer, "All businesses in Texas have been hit by a very severe economic problem. All this is showing is that newspapers are not immune to it."²⁹ Reflecting further, Connor said, "The problems that we have...are not the kind that go away in a hurry."³⁰ Writing about newspapers in Dallas and in Denver, Colo., another city whose energy-based economy has been ravaged, interviewer Mark Fitzgerald cites layoffs as evidence that newspapers are responding to environmental changes. Cost-cutting has been a "constant" among the various coping strategies that news executives have implemented,³¹ Fitzgerald writes. In another trade

²⁹

Mark Fitzgerald, "Recession and Newspapers; Slumping Economy in Denver and throughout Texas Leads to Severe Belt-tightening at Several Daily Newspapers," Editor & Publisher, 120, No. 21 (23 May 1987): 9.

³⁰

Ibid.

³¹

Ibid., 22.

article, George S. Smith, publisher of the Marshall (Texas) News Messenger, pointed to three successful responses to an unfavorable economy: "The key to maintaining both readership and advertising has been to keep a positive attitude, promote the community and develop innovative ad selling techniques and packages," Smith said. In a detailed account of the impact of the farm crisis on the Adair County Free Press, a weekly newspaper in Greenfield, Iowa, Hoyt reported that publisher Ed Sidey had cut staff numbers and trimmed hours of remaining employees in response to a \$30,000 (23 percent) drop in gross income from 1980 to 1986. Sidey said he had cut back to 14 pages a week from an average of 18-24 pages before the farm crisis began to make its impact felt. Sidey said he had also been forced to abandon the "luxury" of investigative journalism. "You do what you can afford to do, as best you can," Sidey is quoted as saying. The third generation Greenfield newspaper publisher told Hoyt that while he considered it counterproductive to dwell on the negative economic news, he

32

Debra Gersh, "Surviving in a Soft Economy; After Seven of Its Top 11 Ad Accounts Folded in a Market with a 14 Percent Unemployment Rate, This Small Texas Daily Still Managed to Turn a Profit," Editor & Publisher, 120, No. 50 (12 December 1987): 16.

33

Hoyt, 36.

could neither ignore it entirely nor paint too rosy a picture of the community, or his newspaper would lose its credibility. Two excerpts reveal Sidey's cautious assessment of the environment. Hoyt quotes an editorial by Sidey that concluded, "'The fact is, many folks on the farm and in the small towns are still walking a financial tightrope in 1987. Things haven't gotten worse lately, but they haven't gotten a whole lot better either.'" ³⁴ And in remarks to the interviewer, Sidey said, "'I don't think Greenfield will become a ghost town, because we're doing something about it,.... And yet it's very scary.'" ³⁵

One formal study that addresses the questions of how newspaper managers perceive and cope with their environment was undertaken by Burgoon, Bernstein, Burgoon and Atkin (1984). Their analysis of more than 1,500 responses from two surveys of journalism professionals found that despite concern within the industry about downward circulation trends among daily newspapers during the 1970s and the continued losses of subscribers by evening dailies in the 1980s, working journalists remain confident about the

34

Ibid.

35

Ibid., 39.

36
 future. In one of the surveys, 48 percent expressed optimism about the industry and their newspapers. In the other survey, 38 percent shared that confidence. On the other hand, the first survey found 27 percent perceived a "gloomy" future. The proportion of pessimists increased in the second survey to 34 percent. Moreover, pluralities in each survey felt that readers would turn to information sources other than newspapers in the next decade and that newspapers would lose circulation relative to population in the next five years.³⁷ The researchers discovered through factor analysis three types of attitudes toward the future in the newspaper industry. The first group reflected an attitude of "pessimism and gloom," generally held by younger journalists who have experienced little career mobility, who were less likely to expect a promotion and who expressed less job satisfaction than other respondents. The pessimists were also less likely than other respondents to be working at medium-sized newspapers (circulation 50,000-100,000). The second attitude type, "assuredness and commitment," was typically that of older journalists on smaller newspapers (circulation less than 50,000), more

36

Judee K. Burgoon, James M. Bernstein, Michael Burgoon and Charles K. Atkin, "Journalists' Perceptions of the Future of the Newspaper Industry," Newspaper Research Journal, 5, No. 3 (Spring 1984): 13.

37

Ibid., 15, 19.

likely to be female, and more likely to perceive working conditions and internal communications in their newsrooms to be good. Finally, an attitude of "trustworthiness and influence"--a belief that their newspapers were regarded as trustworthy and wielding strong influence in important matters--typified younger male supervisory job holders in medium or larger papers.³⁸

Burgoon et al. place these attitudes within the context of two vastly different views held by newspaper industry analysts: one, a conservative view that newspapers will necessarily become "less 'mass' and more tailored to individual needs" in order to survive, and the other, a more extreme view that consumer reliance upon new telecommunications and computer-based technologies will bring about the demise of the newspaper industry.³⁹ Their findings suggest that most working journalists may be more closely aligned with the more conservative view, but in either case the survival of newspapers is at stake.

A recent article in a newspaper industry trade journal suggests that industry leaders are indeed taking these threats seriously. "Newspapers are a waning presence in American homes, and even some editors admit their work is irrelevant

38

Ibid., 21-24.

39

Ibid., 13.

to many people's lives," Editor & Publisher reports.

"Troubled by these and other ominous trends, newspapers have begun to confront an uncertain future as the Information Age catches up to their centuries-old medium." The article announces a response to these disquieting pronouncements in the founding of a "newspaper industry think tank" and research organization known as New Directions for News (NDN). The NDN chair, Knight-Ridder Inc. vice president Bill Baker, says flatly, "The newspaper business needs to be born again...."⁴⁰

That newspapers are in for a struggle to survive is the premise of one of the most recently published texts on newspaper management. Jim Willis, author of Surviving in the Newspaper Business; Newspaper Management in Turbulent Times, prefaces his book in part with this assertion:

Newspapers are facing turbulent times as we approach the last decade of the twentieth century.... In America, where optimism normally reigns, businesses don't like to think about the possibility of hard times ahead, yet failure to plan realistically and to monitor conditions in the marketplace can lead to quick failure. When that happens, even crisis management may not be sufficient to save the company.⁴¹

40

George Garneau, "Rethinking Newspapers; News Execs, Concerned about Declining Household Penetration, Form a Research and Development Group Called New Directions for News," Editor & Publisher, 121, No. 50 (10 December 1988): 16.

41

Jim Willis, Surviving in the Newspaper Business; Newspaper Management in Turbulent Times (New York: Praeger, 1988), xi.

While good news may be gleaned from some industry statistics, Willis asserts, "the entire media mix is changing to the point that many newspapers are finding themselves an endangered species. Some have already become extinct."⁴² Willis prescribes management and marketing changes for newspapers. He writes,

Clearly all is not well in the newspaper publishing business. An industry that for decades did not see much need for changing its management or marketing structure has today been confronted with the demand to change. Publishers realize that if they don't wake up to the changing nature of their cities, news consumers, and advertisers, they may find their products have become dinosaurs in an electronic world populated by consumers and clients with needs of immediacy, intimacy, specialized reporting, deep market penetration, and target circulation.⁴³

Willis most succinctly states the theme of his work in these words: "Now, more than ever, publishers must be expert planners, strategists, and market-oriented business people."⁴⁴ In the 180-odd pages that follow, Willis sets out a blueprint for management that requires skillful financial record-keeping, consumer-oriented product development, operational planning for all departments, a

⁴²

Ibid., 1.

⁴³

Ibid., 2.

⁴⁴

Ibid., 7.

well-thought-through competitive strategy and a management approach that regards employees as human resources to be highly valued, developed through advanced training and challenged by being entrusted with appropriate responsibilities and authority to match.

Another newspaper management text published in 1988, Strategic Newspaper Management, by Conrad C. Fink, similarly points to the need for newspapers to develop and implement sound strategies and solid management practices in order to cope with today's rapidly changing environment. Central to accomplishing this is effective planning, achieved by establishing realistic time frames and most suitable means for 1) improving journalistic quality to reach an increasingly sophisticated audience; 2) upgrading skills of the paper's workforce; 3) producing more and better advertising; 4) obtaining higher circulation penetration; 5) strengthening the paper's competitive posture; 6) upgrading production facilities to meet future needs; 7) diversifying in areas consistent with the company's main strategic thrust; and 8) enhancing profits. Fink sets forth these objectives for managers in newspapers of all sizes, noting

45

Conrad C. Fink, Strategic Newspaper Management (New York: Random House, 1988), 59.

that the challenges are the same for "newspapers large and small, daily or weekly." Fink says that only the scale is different.⁴⁶

Clearly, these authors define survival options in terms of planning and management skills. How, then, do newspaper publishers and managers rate as managers? How much do they know about managing? Research about management strengths or weaknesses in the newspaper industry is also scarce. Bennett reports the findings of two studies suggesting that managing editors expressed confidence in dealing with matters of "practical journalism," but felt a need for management training. "Management styles were, of course, individual in nature: each manager, whether conscious of doing so or not, cobbled together and used what worked," Bennett reported.⁴⁷ From these findings, Bennett recommended editors and prospective newspaper managers be given formal management training.⁴⁸ A study by Ogan confirms what newspaper managers already know, that

⁴⁶

Ibid., 2.

⁴⁷

David Bennett, "Editors as Managers: Their Perceived Need for Specialized Training," Newspaper Research Journal, 6, No. 4 (Summer, 1985): 33.

⁴⁸

Ibid., 34-35.

newspaper executives--both men and women--are hard workers. The 400 newspaper managers surveyed reported that the average work week for male managers is 47 hours; for women, 47.5 hours. Thus, whatever management problems newspapers may face, lack of effort by top managers is generally not one of them.⁴⁹

Small Business Management Problems

While research focusing on newspaper managers and management practices is in short supply, there is an abundance of literature about management practices, performance and problems of business in general, and more specifically about small businesses, a term that characterizes most newspapers in Iowa, and perhaps a majority of newspapers in the U.S. One study of 49 retail firms in small towns found that 84 percent of the retail managers who took part in the study indicated they had problems in the area of marketing, 65 percent had difficulty with accounting, and 30 percent had trouble obtaining adequate financing for their enterprises. Only 17 percent

49

Christine L. Ogan, "Life at the Top for Men and Women Newspaper Managers: A Five-year Update of Their Characteristics," Newspaper Research Journal, 5, No. 2 Winter, 1984): 57.

50

cited employees as a source of management problems. An obstacle to overcoming these retailers' problems, though, was a refusal by some to change their ways in order to overcome the problems. For example, in terms of their marketing problems, researchers noted that 13 percent had "inappropriate or confusing names" for their businesses. "Nevertheless, several of the owners showed no inclination to modify the names of their businesses--even to the extent of adding a word that would identify their line of business." Thus the researchers concluded, "This rigidity may reflect the independent nature of small business persons."⁵¹

Chaganti and Chaganti identified similar management problem areas in a broader study of small, Canadian manufacturing firms. From the 192 usable responses to a mail questionnaire, they concluded that "...in 1978, 55 percent of the small business failures in Canada were attributed to poor management, i.e., deficient bookkeeping, inadequate inventory control, and lack of market data."⁵²

50

Dillard B. Tinsley and Danny R. Arnold, "Small Retailers in Small Towns: Is Marketing the Key?" Journal of Small Business Management, 16, No. 1 (January, 1978): 8.

51

Ibid., 11.

52

Rajeswararao Chaganti and Radharao Chaganti, "A Profile of Profitable and Not-so-profitable Small Businesses," Journal of Small Business Management, 21 No. 3 (July, 1983): 43.

furthermore, the researchers found that the most successful companies' most important strength was their ability to manage cashflow. ⁵³ The researchers concluded, "Technical competence in manufacturing a product is not enough; ⁵⁴ administrative skills are also required."

A comparison of firms that survived and those that failed in Connecticut found that survival essentials for small firms included paying close attention to product and service quality, debt levels, capital intensity and efficient use of marketing dollars. Strategic planning also played a role in survival. One finding of the study was that while some small businesses were found to pursue survival strategies, the more successful firms framed their enterprises within the context of growth strategies. ⁵⁵

The Need for Strategy and Planning

A study of survival and failure among small firms by Sexton and Van Auken, examining 357 small businesses in Texas, found that firms with the least evidence of having developed any type of strategy had the highest percentage of

53

Ibid., 49.

54

Ibid., 50.

55

Hugh M. O'Neill and Jacob Duker, "Survival and Failure in Small Business," Journal of Small Business Management, 24, No. 1 (January, 1986): 37.

business failures (20 percent), while firms demonstrating the highest strategy level experienced the lowest percentage of failures (8 percent).⁵⁶ Nonetheless, Sexton and Van Auken concluded that "strategic planning appears to be a scarce, fragile commodity in the small business environment."⁵⁷

Robinson makes strategic planning an imperative for small businesses. In a 1979 journal article, he wrote,

Business managers of two decades past were often able to run their enterprises based upon their feelings and intuition about their environment, industry, and business entity. Many small businesses are still managed with this mode of decision-making. The lack of effective planning, or a systematic consideration of present and future circumstances that surround decision-making has been singled out as a major cause of

58

the high rate of small business failure.

Robinson concludes that decision-making in small businesses needs to move beyond 'seat-of-the-pants' crisis management. Instead, Robinson offers an alternative to enhance the firm's chance of survival. He calls for "...a rational,

56

Donald L. Sexton and Philip Van Auken, "A Longitudinal Study of Small Business Strategic Planning," Journal of Small Business Management, 23, No. 1 (January, 1985): 13.

57

Ibid., 15.

58

Richard B. Robinson, Jr., "Forecasting and Small Business: A Study of the Strategic Planning Process," Journal of Small Business Management, 17, No. 3 (July, 1979): 19.

systematic, decision-making process that involves a general analysis (forecast) of the situation, development of alternatives, choice and implementation."⁵⁹

Such a systematic approach is seldom followed by small business managers, however. Robinson and Littlejohn concede, "It is generally accepted knowledge that small firm owner/managers do not engage in systematic planning." The researchers say that's because planning "takes a second priority to the ubiquitous day-to-day brush fires" that occupy the attention of small business managers.⁶⁰ A study of 156 Iowa small manufacturers by Pelham and Clayson supports this contention that small businesses are too engaged by "brush fires" to systematically plan. The Iowa study findings suggest that small business managers acknowledge the value of formal planning. "Nevertheless," the two University of Northern Iowa researchers write, "it appears that time pressures prevent most managers from

59

Ibid., 20.

60

Richard B. Robinson, Jr. and William F. Littlejohn, "Important Contingencies in Small Firm Planning," Journal of Small Business Management, 19, No. 3 (July, 1981): 45.

61
engaging in formal planning...."

Planning and Performance Relationship

In another Iowa study of 97 small businesses representing manufacturing, retail and service firms, Cramer found that the majority of small firms in central Iowa (65 of the 97 firms surveyed) have no written long range plan.⁶² Cramer's study offers an apparent contradiction to the idea that formal planning--specifically formal long range planning (covering at least one year)⁶³--improves small business performance. Two of three performance measures used by Cramer (number of full time employees, and after tax profits) did not relate significantly to long range planning. A negative direction noted in weak correlations between planning and the third performance measure (sales) led Cramer to summarize that not only is it possible that planning is unrelated to performance, but perhaps firms that do not plan perform better than those that do. Cramer also

61

Alfred M. Pelham and Dennis E. Clayson, "Receptivity to Strategic Planning Tools in Small Manufacturing Firms," Journal of Small Business Management, 26, No. 1 (January, 1988): 46.

62

Julie Cramer, "The Influence of Formal Long Range Planning and Operational Planning on the Financial Performance of Small Firms in Central Iowa" (Master's thesis, Iowa State University, 1986), 29.

63

Ibid., 15.

proposes the alternative interpretation that "firms that are performing poorly are planning more."⁶⁴ Operational planning (planning in functional areas, such as marketing, budgeting, human resources, inventory, sales, etc., usually for a period of 6 to 12 months)⁶⁵ was more often positively linked to performance. Cramer suggests this relationship exists because small business managers are closer to their operating environment, can therefore predict the short term more accurately and thus place more stock in operational planning. She also suggests that because small firms generally cannot afford sophisticated long range planning systems or the means to validate long range forecasts, small business managers may place more confidence in operational plans.⁶⁶

The planning-performance relationship--indeed, whether such a relationship exists--has been the subject of numerous studies, which have produced often conflicting and seemingly contradictory results. At one extreme is a study by Karger and Malik of formal, integrated long range planning effects on financial performance of 90 U.S. industrial firms. They found that "planners outperformed non-planners by a wide

64

Ibid., 29.

65

Ibid., 16.

66

Ibid., 32-33.

margin" and that planners were "more aggressive and better sellers of goods, controlled margins so as to reap greater profits and earned higher returns on capital." ⁶⁷ So enthusiastic were they that they issued this edict:

...the top management of any profit seeking organization is delinquent if they do not engage in fully integrated ⁶⁸ long range planning.

At the opposite end of the spectrum is the work of Kallman and Shapiro who found that in the very highly regulated trucking industry of 1978, management had practically no freedom in the area of strategic decision making. As a result, the researchers found that the best plans could neither alter nor predict outcomes. They concluded that for the successful non-planner they could ⁶⁹ urge no move toward formalized planning. What's more, the researchers found no relationship between the carrier's size, planning commitment and/or economic performance. Neither did geographic differences, nor type of commodity ⁷⁰ hauled link performance with planning.

⁶⁷

Delmar W. Karger and Zafar A. Malik, "Long Range Planning and Organizational Performance," Long Range Planning, 8, No. 6 (December, 1985): 60.

⁶⁸

Ibid., 60.

⁶⁹

Ernest A. Kallman and Jack H. Shapiro, "The Motor Freight Industry--A Case Against Planning," Long Range Planning, 11, No. 1 (February, 1978): 85.

⁷⁰

Ibid., 83.

Between these poles are such studies as Schuman's survey of 46 New England small businesses, which found that a majority of managers who engaged in planning felt that planning activities led to better decisions. That perceived outcome is less tangible than the increased profitability⁷¹ reported by 34 percent of the survey respondents.

Schuman's findings suggest that three key variables serve to mediate the planning-performance link and the structure of the planning process undertaken by small firms. The mediating variables were 1) previous planning success; 2) current operating results; and 3) attitude of top management toward change.⁷² Schuman points out another potentially significant mediating factor in the planning-performance link for small businesses when he notes that apparently very few small firms pretest plans before they⁷³ implement them.

Mediating variables in the planning-performance relationship proposed as a result of other studies include reliance by more successful firms on increased use of "basic

71

Jeffrey C. Schuman, "Corporate Planning in Small Companies--A Survey," Long Range Planning, 8, No. 5 (October, 1975): 86.

72

Ibid., 82.

73

Ibid., 90.

repetitive planning" (Robinson and Littlejohn, 1981);⁷⁴
 managers' being more skilled and thorough in the planning
 process (Orpen, 1985);⁷⁵ analytical rather than formal
 aspects of planning (Ackelsberg and Arlow, 1985);⁷⁶ a
 structured approach by managers who demonstrate planning
 sophistication (Bracker and Pearson, 1986);⁷⁷ senior
 managers who are willing and able to make strategic
 decisions in the first place;⁷⁸ an external focus combined
 with a long-range perspective, and planning processes more
 closely aligned with strategic management theory (Rhyne,
 1986);^{79, 80} and a greater degree of formality in planning

74

Robinson and Littlejohn, 46.

75

Christopher Orpen, "The Effects of Long-range Planning on Small Business Performance: A Further Examination," Journal of Small Business Management, 23, No. 1 (January, 1985): 22.

76

Robert Ackelsberg and Peter Arlow, "Small Businesses Do Plan and It Pays Off," Long Range Planning, 18, No. 5 (1985): 65.

77

Jeffrey S. Bracker and John N. Pearson, "Planning and Financial Performance of Small, Mature Firms," Strategic Management Journal, 7, No. 6 (1986): 511-512.

78

Ann Langley, "The Roles of Formal Strategic Planning," Long Range Planning, 21, No. 109 (1988): 49.

79

Lawrence C. Rhyne, "The Relationship of Strategic Planning to Financial Performance," Strategic Management Journal, 7, No. 5 (1986): 423.

80

Ibid., 432.

81

(Pearce, Robbins, and Robinson, 1987). In addition, one study found that firm size also appeared to be a mediating variable in this planning-performance linkage, with managers of larger firms apparently doing more market planning and anticipating greater profits (Mulford, Shrader, and Hansen, 82 1987). Perhaps Shrader, Taylor and Dalton offer the only acceptable summary of the confusing and sometimes contradictory results of these and other studies. They observed in their review of planning-performance literature: "There is no clear systematic relationship between formal 83 long-range planning and organizational performance." Relevant, too, is their observation that, "Those who have examined this linkage are consistent in their conclusions: managerial skills are critical to the performance of the 84 firm."

81

John A. Pearce II, D. Keith Robbins, and Richard B. Robinson, Jr., "The Impact of Grand Strategy and Planning Formality on Financial Performance," Strategic Management Journal, 18, No. 2 (1987): 130.

82

Charles L. Mulford, Charles B. Shrader, and Hugh B. Hansen, Operational and Strategic Planning in Small Business, Report submitted to North Central Regional Center for Rural Development, 1987, p. 47.

83

Charles B. Shrader, Lew Taylor, and Dan R. Dalton, "Strategic Planning and Organizational Performance: A Critical Appraisal," Journal of Management, 10, No. 2 (Summer, 1984): 154.

84

Ibid., 163.

Uncertainty

If better management skills are crucial in today's turbulent business climate, such skills are apt to be in even greater demand in the future. Ellis asserts that increasing turbulence is a "given," and that not only is change occurring evermore rapidly, but as a result, businesses are increasingly subject to sudden jolts from both their internal and external environment.

Mulford et al. predict, "This entire decade looks like it will be very volatile economically for small businesses." They go on to say, "The first and worst problem for managers is generalized uncertainty generated by the external environment." And from a 1980 study of 150 small businesses in Texas, Hoy and Vaught determined that rural business owners (a category that would include a large number of Iowa newspaper managers) may face even greater difficulties coping with the changing environment than do owners of small businesses in non-rural locations. The

85

Jeffery R. Ellis, Managing Strategy in the Real World: Conclusions and Frameworks from Field Studies of Business Practice (Lexington: D.C. Heath and Company, 1988) p. 4.

86

Mulford, Shrader, and Hansen, pp. 2-3.

87

Ibid., 5.

88

Frank Hoy and Bobby C. Vaught, "The Rural Entrepreneur--A Study in Frustration," Journal of Business Management, 18, No. 1 (January, 1980): 19.

two researchers found that even though rural entrepreneurs were in closer contact with their environment, the rural small business managers faced problems in six critical areas that they considered difficult to manage or beyond their control entirely. These key difficulties included: 1) employee-related problems; 2) financial management; 3) government regulations; 4) market factors; 5) administrative management; and 6) economic and technical matters.

This environmental uncertainty may result in any of a number of outcomes for businesses. According to Bourgeois, how business managers perceive the uncertainty may influence outcomes more than the actual or "objective" uncertainty.

Duncan further articulates this by noting:

Some individuals may have a very high tolerance for ambiguity and uncertainty so they may perceive situations as less uncertain than others with lower tolerances.

Visionary Leadership

Finally, while many researchers have suggested that environmental turbulence necessitates greater managerial

89

Ibid., 20-21.

90

L. J. Bourgeois, III, "Strategy and Environment: A Conceptual Integration," Academy of Management Review, 5, No. 1 (1980): 25.

91

Robert B. Duncan, "Characteristics of Organizational Environments and Perceived Environmental Uncertainty," Administrative Science Quarterly, 17, No. 3 (September, 1972): 325.

strength, effort and planning, the uncertainty that turbulence creates often stymies management's ability to respond effectively. Smart and Vertinskyl assert that a highly complex, turbulent and uncertain environment prompts retrenchment and short-term "fire fighting," rather than an appropriate, entrepreneurial response to crises needed to combat uncertainty. A proper response could be expected, however, from firms guided by "transformational leaders" who bring vision to an organization, rather than "transactional leaders" who offer "quick fixes," according to a recent text. Citing Chrysler chairman Lee Iacocca as an example, the author says a transformational leader is one who can "help the organization develop a vision of what it can be, mobilize it to accept and work toward the new vision, and institutionalize the changes that must last over time." Other strategy researchers support the notion that turbulent times require visionary leaders. Morris contends that managers develop this vision because they have a compelling need to "create the future." Characteristic of

92

Carolyn Smart and Ilan Vertinskyl, "Strategy and the Environment: A Study of Corporate Responses to Crises," Strategic Management Journal, 5, No. 3 (1984): 211.

93

Arnoldo C. Hax, ed., Planning Strategies that Work, (New York and Oxford: Oxford University Press, 1987), 7.

94

Elinor Morris, "Vision and Strategy: A Focus for the Future," Journal of Business Strategy, 8, No. 2 (Fall, 1987): 51.

visionary leaders are a complex problem-solving ability, an "anticipatory" perspective and approach,⁹⁵ and a willingness to develop options. Visionary leaders are also intuitive, creative, integrative, and informal managers who have a "sense of the whole" in dealing with problems and opportunities.⁹⁶ Hurst says visionary leaders focus on mission, a spontaneous process, and do not rely solely upon planned strategy to give direction to an organization.⁹⁷ Such leaders relate "visions of what could be and a sense of purpose" to members of the organization. Members, in turn, refine and move the vision forward by interacting with one another and interjecting their values.⁹⁸ Hurst writes:

We need to abandon our notions of the lone manager as hero, who rationally solves the problems of the world. We must assemble teams to handle the total process. We need to combine the two great human gifts, reason and passion, the head and the heart, and we need to stand at the threshold of the present, looking at both the past and the future.⁹⁹

95

Ibid., 54.

96

Ibid., 55.

97

David K. Hurst, "Why Strategic Management Is Bankrupt," Organizational Dynamics, 15 (Autumn, 1986): 15, 16.

98

Ibid.

99

Ibid., 27.

Ellis lists traits of leaders best equipped to manage in a highly uncertain environment, including these:

A willingness to take limited risks, together with a boldness in attempting the unknown and a readiness to experiment...A preparedness to change one's mind, an ability to learn from mistakes, and a receptivity to
100
shifts in circumstances....

Able as a manager with these traits would likely be to successfully guide a firm through uncertainty, Ellis does not replace one image of manager as hero with another. Rather, Ellis concludes from researching field studies of strategic management that the managers he describes reach decisions through processes that are "quintessentially
101
incremental, uncertain, evolutionary, and situation."

Furthermore, Ellis says,

Managers met major challenges through a practical, active, flexible, and sensitive pursuit of a series and collection of sometimes relatively independent initiatives. Solutions to problems were often partial,
102
inelegant, obvious, imperfect and nonoptimal.

Hypotheses

Perceptions of Uncertainty

Given the extent to which Iowa's business climate and perhaps its social fabric have been undergoing rapid change

100

Ellis, 4.

101

Ellis, 3-4.

102

Ibid., 4.

in recent years, a number of questions arise. First, this research will focus on how Iowa newspaper managers perceive uncertainty in their environment.

From extensive coverage in their own newspapers of economic changes that have been taking place at the local, state and national levels, it is almost inconceivable that newspaper managers would regard their environment as stable and generally predictable. Furthermore, because trade publications monitor the industry environment, it seems probable that they will also perceive the newspaper industry as one that is undergoing change. Obvious though that may seem, the perception of change and uncertainty by newspaper publishers may not be a foregone conclusion, particularly in an industry that has sometimes regarded itself as a "recession-proof" business, comforted by the belief that in a strong economy businesses would always want to advertise, while in bad economic times, businesses would always have to advertise. Thus, the remark was offered quite seriously by a Texas publisher that newspapers were discovering they were not immune to recession. In fact, Garneau wrote in December, 1988, that newspapers were generally enjoying "healthy profits," and that total newspaper circulation in

found reason for concern in "long-range problems" of changing demographics, patterns of behavior and business trends."¹⁰⁴ Thus, some of the change that is occurring may take place unnoticed. For some publishers, on the other hand, change and uncertainty have been obvious. Charles Claybaugh, publisher of twin weekly newspapers in Utah, is one such publisher. He contends that "...many small newspapers in this country are in financial trouble" for reasons like those that besieged the Box Elder News and Box Elder Journal. Claybaugh was forced to merge the papers into a single once-a-week publication as a result of skyrocketing postal distribution costs and intense and escalating competition from direct mail publication advertising¹⁰⁵ (a rapidly rising industry that poses a serious threat to newspaper ad revenues, according to a top executive in a large, U.S. advertising agency.¹⁰⁶) A 1984 study of the impact of a recession on small business, by Churchill and Lewis, offers bad news and good news to small

¹⁰⁴

Garneau, "Rethinking Newspapers;...", p. 16.

¹⁰⁵

"Publisher Shuts Down One of Two Weeklies; Blames Higher Postal Rates and Loss of Advertisers to Direct Mail," Editor & Publisher 119, No. 42 (25 October 1986): 39.

¹⁰⁶

Debra Gersh, "The Future of Advertising; Advertising Research Foundation's Annual Conference Explores the Direction Advertising Will Take over the Next 25 Years," Editor & Publisher, 119, No. 13 (29 March 1986): 18.

business executives. The bad news from the study is that small businesses are "particularly vulnerable" to hostile, external forces in bad economic times. For example, the researchers found that 77 percent of the respondents to their survey indicated that high interest rates and general economic conditions had hurt sales; 80 percent indicated profits had suffered. The good news is that small businesses could be more flexible than larger organizations in reducing the impact of such conditions. The bottom line, however, is the finding that "companies perceived virtually no difference in the degree to which interest rates or the economy had affected them, regardless of their size, economic sector or location in the U.S." ¹⁰⁷ Similarly, Judd and Lee reported that the recession of 1980 had hurt small businesses, as evidenced by a drop in numbers of employees ¹⁰⁸ and efforts to generally trim overhead.

107

Neil C. Churchill and Virginia L. Lewis, "Lessons for Small Business from the Recession," Journal of Small Business Management, 22, No. 2 (April, 1984): 6.

108

Richard J. Judd and Chan H. Lee, "Financial Concerns and Business Strategies during Inflation/Recession: Perceptions by Business Owner/Managers," Journal of Small Business Management, 19, No. 4 (October, 1981): 49.

In light of this, the following hypothesis is presented:

H1: Iowa newspaper publishers and managing editors perceive change and uncertainty in their environment.

Because publishing frequency is largely a function of the advertising base within the publication's market area and the advertising revenues that this market generates, it stands to reason that, in general, newspapers with greater frequency of publication serve a larger, stronger, more diverse market than newspapers that publish once a week. Similarly, circulation generally (but not always) reflects the size of the newspaper's market area, since community newspapers tend to serve specific geographic market segments. This would suggest that weekly newspapers and newspapers with the fewest paid subscribers would perceive the greatest threat from the negative consequences of a turbulent, even hostile business environment.

Therefore, the first hypothesis is further elaborated with the following proposals:

H1-a: Iowa weekly newspaper managers perceive a higher degree of environmental uncertainty than do managers of Iowa newspapers that publish more frequently.

H1-b: The smaller the newspaper's circulation, the greater the degree of perceived uncertainty.

Mulford et al. proposed the following five possible

sources of uncertainty: customers, suppliers, competitors, social-political factors, and new technology. They found that customers were the source of most uncertainty, while suppliers and social-political factors caused the least uncertainty for the Iowa business managers they surveyed. ¹⁰⁹

Similar to these uncertainty factors is the list of critical problems identified by rural entrepreneurs in the Hoy and Vaught research (presented in order from most often cited to least often cited: problems related to employees, financial management, governmental regulations, markets (customers), general management, economic conditions, and technical

¹¹⁰ matters. Though the lists are not identical and neither was drawn from the newspaper industry, it appears likely that many of these same factors could be sources of uncertainty for newspapers. Drawing upon the two lists and from this researcher's publishing experience, eight possible sources of uncertainty in the newspaper industry were proposed in the research instrument. The eight possible sources are 1) employers; 2) suppliers/jobbers; 3) customers; 4) competitors; 5) government; 6) local economic conditions; 7) state, national, or other economic conditions; and 8) changing technology.

109

Mulford, Shrader, and Hansen, 31.

110

Hoy and Vaught, 20-21.

The fact that community newspapers most often serve geographically defined market segments means that newspaper managers would likely be most alert to uncertainty within the newspaper's particular geographic market segment. Thus, the following hypothesis is proposed:

H2: Iowa newspaper publishers and managing editors regard local economic conditions as the major source of uncertainty among eight possible sources listed.

This second hypothesis, too, is elaborated to reflect the differences of market size, strength and diversity:

H2-a: Iowa weekly newspaper managers perceive a higher degree of uncertainty in the local economy than do managers of Iowa newspapers that publish more frequently.

H2-b: The smaller the newspaper's circulation, the greater is the degree of uncertainty that will be perceived in local economic conditions.

Uncertainty is likely to be perceived as emanating from a number of sources. The degree of uncertainty posed by any single factor is likely to change as the environment changes. Suppliers and jobbers, for example, would likely have been regarded as a major source of uncertainty to newspapers during the newsprint shortages of the 1970s. Now, however, relatively stable prices, steady supplies and upgraded manufacturing facilities by a number of paper mills have eased this concern. Other supplies and material costs have also become more settled. Film and phototypesetting papers, which require silver to produce the photographic

emulsions, took rapid, double-digit price increases when silver prices skyrocketed in the early 1980s. Silver prices later plummeted and film costs began to moderate.

Concurrently, the introduction of computer publishing and laser printed output reduced the dependence of the newspaper industry upon phototypesetting materials. This allowed newspaper managers to further control costs and at the same time reduce uncertainty. Postage costs (especially for newspapers distributed by second class mail and those with third class advertising publications) and insurance costs have been the notable exceptions to the trend of more predictable costs of doing business. Postal services would probably not be regarded by respondents as something they obtain from a supplier or jobber (though uncertainty about postal costs might be attributed to governmental sources). Insurance might also be outside the usual scope of what a newspaper manager would think of in considering suppliers and jobbers. Finally, uncertainty from suppliers/jobbers is apt to be minimized by contractual agreement and perceived mutual benefit. Therefore, the following hypothesis is proposed:

H3: Iowa Newspaper publishers and managing editors perceive suppliers/jobbers as the source of least uncertainty among eight possible choices listed.

Perceptions of Current Economic Conditions

A second general area of inquiry will focus specifically on attitudes that Iowa publishers and managing editors hold toward various segments of the economy and the newspaper industry. The research of Burgoon et al. provides some basis for prediction. It would suggest that despite some ominous signs, newspaper professionals would be more inclined to be optimistic than pessimistic.¹¹¹ It seems likely, however, that attitudes would be less optimistic in a state as hard hit by the farm crisis and deep recession as Iowa has experienced. A 1984 study of small real estate firms in Georgia, where competition from large, franchised brokerages has put intense pressure on smaller, independent firms, and where this has been happening within the context of an industry subject to "wide swings in market conditions," found the larger percentage of respondents (39 percent) were pessimistic (said the future would be "tough," "not very good"), as opposed to 36 percent who regarded the future as "good," or "excellent."¹¹² This gloomier outlook would likely have characterized survey responses had this survey been completed in 1985 or 1986, before economic

111

Burgoon, Bernstein, Burgoon, and Atkin, 15-19.

111

Thomas Neil, "Distinctive Competence: A Marketing Strategy for Survival," Journal of Small Business Management, 24, No. 1 (January, 1986): 17.

indicators began to offer some reason to hope for a general economic upturn in Iowa. However, by the summer of 1988, some improvement seemed to be emerging, and with it, the attitudes of many Iowans improved, too. Still, doubt about the chances for a sustainable recovery lingered and the summer's severe drought played upon the fears of many Iowans, especially those living in rural areas and small towns. All of this is to say that attitudes may be a bit tentative. Whatever their sentiments, Iowa newspaper managers are apt to be restrained in expressing optimism or pessimism. Therefore, the following hypothesis is proposed:

H4: Iowa newspaper publishers and managing editors rate the current Iowa economy "fair."

The finding by Churchill and Lewis that recession seemed to have a similar degree of effect upon all small businesses would suggest that Iowa newspaper managers would report having experienced similar difficulties as a result of the state's troubled economy of recent years. However, additional forces have worked to exacerbate the situation in smaller towns, especially the loss of trade to regional shopping malls that has been extensively reported by

114
 Stone. A study by Jackson suggests that Americans have developed such a psychological attachment to a suburban style of living that they are no longer choosing where to live on the basis of their jobs, but now on the basis of shopping and convenient transportation. 115
 While Jackson's study involved suburban residents, Stone's research and this researcher's experience of living in small Iowa communities suggests that rural Iowans have developed a similar preference for a "suburban" lifestyle and mall shopping. What's more, in terms of a revenue source for the newspaper industry, fully half of all retail businesses are located in shopping malls. 116
 Since a major portion of all newspaper revenues consists of retail advertising, it stands to reason that newspapers in larger communities with shopping malls have benefited from the consumer's move to mall shopping, while smaller newspapers, in towns without a shopping mall, have seen a deterioration of their local advertising base

114

Stone, "Impact of the Farm Financial Crisis...", 1; and, Testimony before the U.S. Small Business Administration Regional Rural Hearing..., 1.

115

Kenneth M. Jackson, "Local Community Orientations of Suburban Newspaper Subscribers," Newspaper Research Journal, 3, No. 3 (April, 1982): 58.

116

Debra Gersh, "'Slow, Modest' Ad Growth Predicted," Editor & Publisher, 120, No. 1 (3 January 1987): 19.

(and thus local advertising revenues) as shoppers desert small town main streets for the city shopping malls.

Further, a possible drought would have the most immediate impact upon smaller, rural towns and would cause most worry among farmers and people in small towns. The following further elaboration of the fourth hypothesis is therefore proposed:

H4-a: Iowa weekly newspaper managers give the current Iowa economy a more negative rating than do managers of newspapers that are published more frequently.

H4-b: The smaller the newspaper's circulation, the more negatively the manager rates the current Iowa economy.

The same pattern of reasoning would seem likely to apply to how Iowa newspaper officials regard their current local economy. Thus:

H5: Iowa newspaper publishers and managing editors believe the economic condition of their local communities is "fair."

H5-a: Managers of Iowa newspapers published more frequently than once a week rate their local economy more positively than do Iowa weekly newspaper managers.

H5-b: The smaller the newspaper's circulation, the more negative the rating of local economic conditions.

H6: Publishers and managing editors of Iowa newspapers published more frequently than once a week rate the economic condition of their newspaper as "good."

H7: Publishers and managing editors of Iowa weekly newspapers rate the economic condition of their newspaper as "fair."

H7-a: The smaller the newspaper's circulation, the more negatively the manager rates the newspaper's economic condition.

Five-Year Outlook

Several indicators of an economic recovery had begun to emerge in Iowa by the time of the August, 1988, survey mailing. This would tend to nurture a cautious optimism among Iowa residents. And though fear of negative economic impact from the summer's drought was being voiced, it is the author's assumption that Iowa newspaper managers generally would regard that as having short-term ill effects at most. It would not likely override the hope for a better future in coming years. And, too, many Iowa newspapers are produced by independent, owner-publishers. It seems likely that to be an entrepreneur--an owner of a small business--requires at least a degree of underlying optimism. Given the economic considerations just discussed, this additional hypothesis will be tested:

H8: Iowa newspaper publishers and managing editors believe the Iowa economy will improve in the next five years.

Unlike previous hypotheses dealing with attitude toward current economic conditions, the focus of the eighth hypothesis is upon future conditions. As such, this

hypothesis calls for an evaluation of outlook, either optimistic or pessimistic, not simply a positive or negative assessment of present influences. While it seemed appropriate to propose that publishing frequency might be correlated with attitudes toward current conditions, the author believes that optimism (or pessimism) is equally likely to be held by managers of weekly newspapers, more frequently published non-dailies and daily newspapers. It seems probable, though, that the hostile economy of the 1980s has done the greatest lasting damage to the very smallest communities. But even from these smallest of towns, the newspaper often serves a larger market area that encompasses other, neighboring small towns. Thus, it seems reasonable to suppose that it is neither frequency of publication nor size of community, but circulation that may most directly mediate outlook, concerning local or state economic conditions or the newspaper's future. Therefore, Hypothesis 8 is elaborated as follows:

H8-a: The smaller the newspaper's circulation, the more pessimistic the manager is about Iowa's future economy.

Similarly:

H9: Iowa newspaper publishers and managing editors believe their local economy will improve in the next five years.

H9-a: The smaller the newspaper's circulation, the more pessimistic the manager is about the local economy.

H10: Publishers and managing editors of Iowa newspapers think their newspapers will do better in the next five years.

H10-a: The smaller the newspaper's circulation, the more pessimistic the manager is about the newspaper's future.

Hypotheses 4b, 5b, 7a, 8a, 9a, and 10a all predict that attitudes will be determined, in part, by the size of the paper's paid circulation--an association noted by Burgoon et al.¹¹⁷ Because their research considered only daily newspapers and was based on a nationwide sample, however, the relationships between circulation and attitude predicted in the research presented here differ from the findings of Burgoon et al. The Burgoon study would suggest that two additional relevant variables--the respondent's age and gender--are significantly associated with attitude. Thus, the following hypotheses are proposed:

H10-b: The younger the respondent, the more likely he or she is to be pessimistic about the future of the newspaper.

H10-c: Female respondents are more likely to be optimistic about the future of the newspaper than are male respondents.

The tough economic times that prevailed throughout Iowa and much of rural America during the farm crisis of the 1980s have had a disproportionately large impact on the

117

Burgoon et al., 21-24.

smallest communities. The loss of any single business in a very small town is often a greater blow to its economy than the loss of a similar business in a larger city. Managers of Iowa newspapers that have suffered greatest harm from this are likely to perceive that not all of the newspapers in the state have been so adversely affected. Thus:

H11: Iowa newspaper publishers and managing editors who rate the economic condition of their newspapers as "fair," or worse, believe the Iowa newspaper industry in general is doing better than their newspaper.

And, although newspaper managers will likely perceive differences in the impact of economic conditions on newspapers across the state, they will probably perceive the differences in terms of circulation. Therefore:

H12: Iowa newspaper publishers and managing editors believe newspapers with circulations similar to theirs are in the same economic condition as their newspaper.

Sales, Circulation and Employment Trends

The turbulent 1980s are predicted to have had some significant impact on newspaper financial statements. The following hypotheses are proposed:

H13: Overall sales and advertising sales trends reported by Iowa newspapers for the 1980s reflect little or no growth for the period.

H13-a: The smaller the newspaper's circulation, the more negative are the advertising and overall sales trends.

One result of the farm crisis years in Iowa has been a much publicized loss of state population. This, along with tighter family budgets, suggest the following hypothesis:

H14: Circulation trends reported by Iowa newspaper publishers and managing editors are declining.

H14-a: The smaller the newspaper's circulation to begin with, the greater the percentage of circulation loss has been.

Since employment is regarded as a good indicator of an organization's economic health, it is reasonable to assume that employment has been effected by economic conditions. Thus:

H15: Iowa newspapers had fewer employees in June, 1988, than in June, 1980.

Because the farm crisis has been most cruel to the smallest, rural communities, one could conclude that smaller papers would provide evidence of the greatest drop in employee numbers since 1980. Two factors would tend to contradict that notion, however. First, small newspapers have generally operated with very limited staff numbers, and thus if the newspaper has survived it has had very few non-essential people to eliminate. Second, a comment by Greenfield, Iowa, publisher Ed Sidey, may typify small newspaper owners/managers. Sidey told an interviewer, "I'm not a good businessman, you see. I had people that I felt a loyalty to, to keep them on and not cut back their hours.

So I was borrowing money to meet payroll and newsprint costs
and things like that." ¹¹⁸ To therefore predict that the
largest papers would reflect the greatest employment
cutbacks might also be an error. Some larger cities in
Iowa--those least directly dependent upon agriculture or ag-
related manufacturing--have fared much better in the 1980s
than have other, similar-sized cities with large ag-related
industries (Waterloo and the Quad Cities with John Deere,
for instance). If the local economy has remained strong,
newspaper revenues would tend to remain strong. Conversely,
a weak local economy, whether in a large city or small town,
is bound to have a negative impact on newspaper
revenues. It seems likely, therefore that employment
cutbacks would be most evident among newspapers in the
cities in between--neither the largest nor the smallest, but
in medium sized communities where agriculture still has a
more direct impact and where better economic times in
previous years may have allowed publishers to expand staff
numbers. Thus, this hypothesis is also presented:

H15-a: Iowa newspapers in "medium-sized" cities most
reflect decreases in employee numbers during
the 1980s.

Business and Financial Record-Keeping

If Iowa newspapers have been fighting a financial battle, or perhaps been engaged in a fight for survival in some instances, the question arises whether managers of these newspapers have taken steps to win the battle. An essential first step is for managers to know the condition of their business--to receive and be able to interpret timely business financial records. Hazel and Reid offer a lengthy list of prerequisites for success in business. Topping the list are timely income statements, cashflow statements, balance sheets, and a series of management ratios (expenses to sales, current ratio, liquidity ratio, return on investment), and the imperative to understand and monitor accounting transactions. None-the-less, the literature abounds with testimony to the fact that small business managers are notoriously poor record-keepers, that many do not have the skills needed to understand even basic financial documents, nor do they care in many cases. Hazel and Reid write, "Half the trouble, of course, is that we don't want to know bad news," though carefully kept business

records can often reveal early symptoms of business problems. Hazel and Reid urge watchful attention to such records in order to detect problems while they are correctable, and in order to correct weaknesses before competitors recognize and exploit them. Perhaps not wanting to know the "bad news" and the consequent inattention to record keeping explain the findings of Siomkos and Shrivastava that, "Organizations in crisis are characterized by unrealistic perceptions, deficiency of perceptual capacities and attribution of problems to their environment." These flaws cause struggling businesses to overlook methods, ideas and people that could help managers overcome problems, according to the two researchers. But hiding from an unpleasant truth won't make it go away, even if hiding has managed to postpone the day of reckoning with the problem. Siomkos and Shrivastava write, "Organizations in declining environments are not able to escape the basic truth that environmental benevolence is not everlasting."

120

Ibid., 7.

121

George Siomkos and Paul Shrivastava, "Strategies for Declining Businesses--Survival in the Fur Business," Long Range Planning, 20, No. 6 (December, 1987): 85.

122

Ibid.

The literature therefore suggests another hypothesis:

H16: A majority of managers of Iowa newspapers do not receive regular and timely (monthly) financial records (balance sheet, income statement, cash flow analysis, formal budget, formal sales forecast).

Planning and Forecasting

Though the literature does not clearly establish a link between formal long range planning and financial performance, planning is still regarded as an essential managerial function in business. Planning can help answer questions relating to hiring, pay scale, plant or office expansion, new technology, growth trends and opportunities, profit levels, adding or dropping products or services, making acquisitions or divesting enterprises. ¹²³ Steiner adds that profit stability, sales growth and efficiency, capital expenditures, inventory, research and development and cost reductions can all be enhanced directly by planning, and that ancillary benefits also occur, such as better communication within the organization, early problem detection, focus being directed toward principal determinants of the business, and establishment of a

123

William P. Anthony, Practical Strategic Planning: A Guide and Manual for Line Managers (Westport: Quorum Books, 1985) 8,9.

structure to allow values to be interjected and tested. Cartwright's research suggests that the benefits of planning are contingent upon the type of problem planning is asked to address. Cartwright describes "simple" problems that are "fully closed," i.e., "fully understood in both their scope and their detail," to which planning can provide the "right answer." For "compound" problems--those with well understood individual components but where relationships between various components of the problem cannot be anticipated--planning can offer multiple solutions and answers to parts of problems. With "complex" problems--often involving conflicting values, all relevant factors can be identified but all factors cannot be analyzed--planning can lead to making improvements. And for "meta" problems--where "neither their full scope nor their detailed nature is understood"--planning provides a continuous process for making decisions and moving in a desired general direction. ¹²⁵ Though planning during times of uncertainty

124

George A. Steiner, "Making Long-range Company Planning Pay Off," California Management Review, 4, No. 2 (Winter, 1962): 39,40.

125

T. J. Cartwright, "The Lost Art of Planning," Long Range Planning, 20, No. 2 (April, 1987): 92-96.

may at best be "incremental and tentative," as Ellis¹²⁶ and
 Mintzberg¹²⁷ describe, planning offers the advantage of
 reducing uncertainty and facilitating a thoughtful approach
 to problem-solving, setting direction, providing consistency¹²⁸
 and defining the organization. Fry and Stoner add that
 planning serves to motivate members of an organization and
 enables managers to skillfully adapt to a changing
 environment.¹²⁹ Planning reduces reactive problem solving.¹³⁰
 Kennedy, Loutzenhiser and Chaney identify planning as one of
 four key management requirements for small businesses (along
 with accounting/financial functions, marketing and resource
 management). They describe deficiencies in these skills as
 managerial incompetence, which they say produces "more small
 business failures than any other cause."¹³¹ Therefore,
 planning remains a vital part of running a successful small

126

Ellis, 4.

127

Henry Mintzberg, "The Strategy Concept II: Another
 Look at Why Organizations Need Strategies," California
 Management Review, 30, No. 1 (Fall, 1987): 25, 26; 28-29.

128

Ibid.

129

Fred L. Fry and Charles R. Stoner, "Business Plans: Two
 Major Types," Journal of Small Business Management, 23, No. 1
 (January, 1985): 6.

130

Pelham and Clayson, 50.

131

James Kennedy, Janice Loutzenhiser, and John Chaney,
 "Problems of Small Business Firms: An Analysis of the SBI
 Consulting Program," Journal of Small Business Management,
 17, No. 1 (January, 1979): 13, 14.

business. And small business operators recognize that planning is a noble intent. Orpen warns, in fact, that researchers surveying small business managers about planning habits might expect respondents to exaggerate "both the amount of time they spend on planning and its impact on the firm's performance" because planning is regarded as a desirable management activity.¹³²

Yet the literature is unambiguous in stating that most small businesses do little or no formal planning. Steiner recites a litany of typical objections to planning by small business managers (planning is for big companies; nobody can forecast the future; it's too complicated; there isn't time; the plans might fall into the wrong hands; it's best to do your planning in your head; etc.).¹³³ Golde has found that small business managers tend to be "present-focused and uneasy about the future," so they shy away from "grappling with tremendous uncertainties" that planning would confront. He adds that planning is also put off because it would take place "in the inherent fear that the conclusions which may emerge will be rather dismal." And Golde says small business operators find that getting started is the most

132

Orpen, 17.

133

G. Steiner, "Approaches....," 3.

134

difficult part of the planning process. Unni writes,
 "Among the barriers to planning, lack of planning knowledge
 is the most serious obstacle...." ¹³⁵ In view of this legion
 of obstacles to planning and the weight of evidence to
 suggest that small businesses do not plan, the following
 hypotheses are offered:

- H17: The majority of Iowa newspaper managers do not
 have a written long range business plan.
- H18: The majority of Iowa newspaper managers do not
 have an informal (unwritten) long range plan.
- H19: The majority of Iowa newspaper managers rarely
 spend time engaged in long range planning.
- H20: The majority of Iowa newspaper managers will
 report usually or always spending some time doing
short term planning.
- H21: The majority of Iowa newspaper managers place
 greater value on short term planning than on
 long range planning.

Forecasting is an inextricable part of planning. Preparing a
 sales forecast is regarded as the first step in the overall
 formal planning process by a number of researchers including
 Wacker and Cromartie. ¹³⁶ Because of this close relationship

134

Roger A. Golde, "Practical Planning for the Small
 Business," Harvard Business Review, 42, No. 5 (September/
 October, 1984): 148.

135

V. K. Unni, "The Role of Strategic Planning in Small
 Businesses," Long-Range Planning, 14, No. 2 (April, 1981): 57.

136

John G. Wacker and Jane S. Cromartie, "Adapting
 Forecasting Methods to the Small Firm," Journal of Small
 Business Management, 17, No. 3 (July, 1979): 3.

between forecasting and planning, the following hypothesis is presented:

H22: The majority of Iowa newspapers will not prepare written sales forecasts.

Short term forecasts are relatively easy to prepare and can often be extremely accurate. A short term forecast is also very useful in carrying out virtually every aspect of the management function (from production scheduling to managing personnel, anticipating profits or losses, monitoring cash flow, and evaluating outcomes). Thus, forecasting--at least in its most basic form, i.e., informal, short term forecasting--is a virtual necessity in any type of business. Publishers and managing editors must have some means of determining what lies ahead if they are to manage at all. Experience as an owner/publisher prompts this researcher to suggest that an informal, thirty-day sales forecast would be the bare minimum that even a "non-planner" could get by on. In that light, the following hypothesis is offered:

H23: The majority of Iowa newspapers will forecast sales informally for at least one month ahead.

Because evidence exists on both sides of the question of whether there is a positive relationship between planning and performance, this possible linkage will be examined. Based on the inconsistency of findings on this issue, the

following is hypothesized:

H24: Performance of Iowa newspapers that engage in formal long-range planning will not differ significantly from the performance of newspapers that are not planners.

CHAPTER III: METHODOLOGY

A focus group comprised of three Iowa newspaper publishers, a former publisher now representing the Iowa Newspaper Foundation, the director and assistant director of the Iowa Newspaper Association, and the author met for two hours in Ames on May 18, 1988, to provide initial directions for this research.

Four major topics of interest emerged from the focus group discussion:

- 1) attitudes held by Iowa publishers concerning the state and local economy and the future of their newspapers;
- 2) enterprises Iowa newspapers were engaged in or considering as means of increasing revenues and profits;
- 3) basic management practices of Iowa newspapers (especially record-keeping and planning) necessary to chart a survival course in difficult economic times; and,
- 4) key outcomes such as trends in sales, circulation and employment.

The author and members of the focus group shared the opinion that while answers to these questions might be obtained by surveying a random sample of the Iowa Newspaper

Association membership, it would be preferable to seek input from all 354 member newspapers. Participants agreed with the author's suggestion that a mail survey would be the best means of reaching this number and posing a series of wide-ranging questions in each of the four topic areas. This goal was made possible by a grant from the Iowa Newspaper Foundation. The grant paid all postage costs for both a pre-test of the survey and the actual survey mailing, provided material supplies and use of equipment to photocopy the survey forms, and provided INA staff assistance with production and mailing of the survey forms. The total value of this grant is estimated to exceed \$1,500.

Using the focus group input, the author began the process of writing the survey instrument. An initial draft was discussed with the INA director in mid-July, minor revisions made to eliminate possible ambiguity or misinterpretation, and on July 28, 1988, after obtaining necessary approval from the Iowa State University Human Subjects Committee, the survey was mailed to the 103 newspapers in the eastern one-third of Nebraska.

The Survey Instrument

Of the four topic areas, questions concerning the economy and the future were regarded by focus group participants as those that would generate greatest interest among Iowa publishers. At the same time, these were

questions of opinion, so while respondents might be likely to feel some anxiety about the economy and the future, respondents would be unlikely to find it threatening to be asked to offer opinions on these issues. The author therefore followed Babbie's guidelines for beginning with the most interesting and non-threatening questions¹³⁷ and selected this topic area to address first in the survey. A series of questions was developed using a Likert-like response format in order to ascertain both the types of attitudes publishers held concerning the economy and the future, and the extent to which publishers held these attitudes.¹³⁸ Respondents were asked questions that focused on five areas of the economy: 1) the state's economy; 2) the economy in the newspaper's local community; 3) the economy of the newspaper industry in Iowa; 4) the economy of Iowa newspapers with about the same paid circulation as the respondent's newspaper; and, 5) the economy of the respondent's particular newspaper. The survey asked respondents to generally rate the current condition of each area of the economy, using a five point scale from very good to very poor. Similarly, using response choices ranging from

¹³⁷ Earl Babbie, The Practice of Social Research, 4th ed. (Belmont: Wadsworth Publishing Co., 1986), 209.

¹³⁸ Ibid., 127.

"much better" to "much worse," respondents were asked to rate how they thought each area of the current economy was doing this year compared to a year ago, and to rate how they thought each area of the economy would do during the next five years. Respondents were also asked to indicate the extent to which their newspaper profitability was effected by the condition of the local economy, the state economy, and the condition of the newspaper industry in Iowa. A five-point scale ranging from "no effect" to "very strong effect" was provided for these responses. Attitude response selections were pre-coded using a consistent numbering system. A "1" indicated the most negative response; a "5" indicated the most positive response. The order of the response selection was varied, however, in order to avoid the possible biasing effect of always indicating either the most positive or most negative choice first.

Section II of the questionnaire addressed the types of enterprises in addition to producing a newspaper in which respondents' firms were engaged. An initial question (question number 19) listed possible enterprises that might be typical sidelines of newspaper firms (commercial web printing, general commercial printing, sale of office supplies, etc.) and a number of other enterprises that would reflect either innovative adoption of new technologies (operating a cable tv channel or low power tv station,

producing video films, etc.), or diversification into less traditional but somewhat related enterprises (operating an advertising agency, offering consulting services, selling graphic arts supplies or services, etc.). Of course, the list of possible enterprises was not exhaustive, but was developed from the author's knowledge of the newspaper business and from enterprises cited by participants in the focus group. The survey questionnaire's response matrix permitted respondents to circle a zero for each enterprise that did not apply (was not part of his/her newspaper operation), or a response choice from one to five to indicate the importance of enterprises that did apply. Response choices ranged from "not at all important" to "extremely important." In addition to the enterprises listed, opportunity was provided for respondents to include and rate other enterprises. This provided a means of including any enterprises that might have been overlooked and also innovative enterprises that neither the author nor members of the focus group had anticipated.

Question 20 repeated the list of enterprises, but this time asked respondents to indicate whether they had added or dropped any enterprise since January 1, 1980. A third response category was "neither," to permit respondents to indicate which enterprises they had neither added nor dropped.

Question 21 asked respondents to indicate on a five

point scale how successful each of the enterprises was for their business. Response choices ranged from "very unsuccessful" to "very successful." An alternative response choice of "can't tell/does not apply" was also provided.

Section II also included questions about the extent to which newspaper managers were contemplating adding or dropping particular enterprises, which ones, their reasons for considering such a change, and how likely respondents were to follow through on these thoughts.

Question 30 addressed directly the sources of environmental uncertainty for Iowa newspaper managers. The response selections were adapted from those used by Mulford¹³⁹ et al. and the "critical problems" confronting rural¹⁴⁰ entrepreneurs listed by Hoy and Vaught. These categories have been previously elaborated in the discussion accompanying Hypothesis 3 in Chapter II of this thesis.

Thirty-three possible strategies for strengthening the financial performance of respondents' newspapers (Question 31) were drawn from the focus group discussion, from the author's newspaper management experience, and from the literature about small businesses. Some possible strategies represent extreme conservatism. Examples include, "Keep

¹³⁹

Mulford, Shrader, Hansen, 31.

¹⁴⁰

Hoy and Vaught, 20-21.

doing what you're doing now," and "Concentrate on serving this newspaper's present advertisers and do NOT jeopardize their loyalty by soliciting ads from other cities." Schuman has described small business managers as often resistant to change.¹⁴¹ Tinsley and Arnold found that some small town retailers were too rigidly set in their ways to make changes that would benefit them when possible corrective action was pointed out to them by consultants.¹⁴² This reluctance to accept advice from "outsiders" is consistent with Hoy's finding that among small business managers who admitted facing serious problems, only 35 percent would welcome assistance in solving them.¹⁴³ Ellis reports that hostile, unstable environments foster an inclination toward conservatism by many managers.¹⁴⁴ Neil noted that despite serious environmental threats to their survival, many small, independent Georgia real estate brokers continued "doing the things they have been doing for years, operating as if changes had not occurred in the market place."¹⁴⁵ And in

141

Schuman, 86.

142

Tinsley and Arnold, 11.

143

Hoy, 22.

144

Ellis, 27.

145

Neil, 19.

research that found many small firms clinging to strategies produced a poor return, Dess and Davis offered the possible explanation that scarce resources and the high risk associated with strategic change were strong obstacles to change. ¹⁴⁶ Some strategies proposed in question 31 represent strategic change. Such alternatives as "Add general commercial printing," or, "Buy or start a specialty publication," suggest a direction of innovation and expansion. Others, like "cut back or eliminate web printing," and, "trim staff numbers to control costs," represent change in the opposite direction. However, to indicate a change in the direction of discontinuing an enterprise may not suggest conservatism or retrenchment. Rather, approval for such a strategy may be an indication that a respondent believes that some type of dynamic, strategic repositioning is needed.

Section III of the questionnaire deals with record-keeping and planning. Only the most basic record-keeping tasks were identified (balance sheet, income statement, cashflow analysis, formal and informal budgeting and sales forecasting) because it seemed likely from the literature and from the author's experience in the industry that more

146

Gregory G. Dess and Peter S. Davis, "Porter's (1980) Generic Strategies as Determinants of Strategic Group Membership and Organizational Performance," Academy of Management Journal, 27, No. 3 (1984): 484.

sophisticated accounting processes would probably be unfamiliar to most respondents, and to include them would probably cause many recipients to leave the survey unfinished.

Questions concerning planning defined short-term as "one day to one week at a time." Intermediate planning was defined here as planning for "more than a week, up to three months." And long-range planning was defined as "planning for more than three months." This differs from usually proposed definitions, although hard and fast criteria for such terms apparently have not been determined. For instance, Kallman and Shapiro¹⁴⁷ and Neil¹⁴⁸ have each defined long term planning as that which covers a period of more than one year ahead. Karger and Malik¹⁴⁹ define long-range as a minimum of five years. Perhaps Steiner sums up this problem best with a reference to a remark by Abraham Lincoln, who, when asked how long a man's legs ought to be, replied, "Long enough to touch the ground." Steiner says the planning time span should cover the period encompassing important financial commitments and their payoffs.¹⁵⁰ The

147

Kallman and Shapiro, 82.

148

Neil, 18.

149

Karger and Malik, 61.

150

G. Steiner, "Making Long-Range Company Planning Pay Off,"...29.

author's decision to define each time span as unusually brief is based on his observation that a lack of planning characterizes much of the community newspaper industry. In the author's judgment, discussing longer planning horizons would very likely cause survey recipients to regard the questions as totally irrelevant. This shorter time frame is also consistent with the recommendation of Robinson and Littlejohn that small business planning needs to be for relatively shorter time periods and not involve a lot of paperwork.

151

Questions in sections IV and V of the questionnaire dealt with employment trends and sales trends. There were two primary reasons for including this series of questions. First, tracking employment and sales trends through the turbulent 1980s would seem to have face validity as an indicator of how newspapers have been faring. Large increases in employment would be an unexpected indicator that business was good. Similarly, significant sales increases would be an unexpected signal that newspapers had escaped the brunt of Iowa's economic distress in the early and mid-1980s. Circulation trends are, in part, a sales trend, but an indicator, too, of the general health of a newspaper. Significant declines might be an omen of a

deteriorating market or product quality or both. A sizable gain would defy Iowa's downward population trends, indicating the newspaper is either serving an exceptional growth market or is aggressively expanding its news coverage and readership area. Stable circulation figures would be positive in the sense that these would indicate a newspaper was somehow holding its own, despite the downward population trend.

The second reason for seeking employment and sales trends is that they have been identified in several studies as acceptable indicators of performance. Robinson and Littlejohn chose sales growth, employee numbers and profitability to measure performance.¹⁵² Davig chose revenue (sales) growth and profit growth to mark performance.¹⁵³ Bracker and Pearson measured performance¹⁵⁴ based on revenue growth and entrepreneurial compensation. And Pearce, Robbins, and Robinson used return on assets,

152

Ibid., 47.

153

William Davig, "Business Strategies in Smaller Manufacturing Firms," Journal of Small Business Management, 24, No. 1 (January, 1986): 41.

154

Bracker and Pearson, 510.

return on sales, sales growth, and a composite indicator
 referred to as "overall performance."¹⁵⁵ The author of this
 study believed that some of the indicators used by other
 researchers would be very difficult to obtain from Iowa
 newspaper managers, and would likely cause the survey
 response rate to fall. Support for this assertion can be
 found in numerous studies of small businesses. Unni
 encountered this problem and wrote that,

Though confidentiality of responses was assured,
 the pretesting of the questionnaire revealed an
 unwillingness of small businessmen to specify their
 profit and sales over the last few years.¹⁵⁶

As a result, Unni was able to determine only the
 respondents' overall satisfaction or dissatisfaction with
 their firms' performances.¹⁵⁷ Davig also encountered
 reluctance among small business managers to report profits,
 but found that they would report annual sales, sales growth
 and a percent growth or decline in pre-tax net.¹⁵⁸ Dess
 and Robinson noted that while small firms will not

155

Pearce, Robbins and Robinson, 130.

156

Unni, 56.

157

Ibid.

158

Davig, 41.

consistently provide objective performance data--that owners and managers of privately-held firms severely restrict such information--the officials were willing to provide a subjective and relative measure of performance. They further found these subjective measures to be consistent with actual performance in cases where objective data were made available to the researchers. The author found the methods used by Cramer, and Mulford et al. to provide the most satisfactory means of measuring performance of Iowa newspapers. In those studies, a base year was established (1983) and assigned an arbitrary index of 100. Respondents were to then indicate sales trends by noting gains or losses in subsequent years as an appropriate point above or below the 100 base year index. The author adopted this means of obtaining information on financial performance.

The final section of the questionnaire sought demographic information. This section was placed last, as recommended by Babbie.

159

Gregory G. Dess and Richard B. Robinson, Jr., "Measuring Organizational Performance in the Absence of Objective Measures: the Case of the Privately-held Firm and Conglomerate Business Unit," Strategic Management Journal, 5, No. 3 (1984): 266.

160

Cramer, 16-18.

161

Mulford, Shrader and Hansen, 29-30.

162

Babbie, 209.

Survey Pre-test

The survey pre-test was part of the research design for many reasons. First, because considerable expense and investment of time would be involved in surveying the entire INA membership, the author wanted to be certain that the instrument was properly prepared and distributed, and that a response rate of at least 25 percent would be achieved in order to draw meaningful conclusions about the research instrument. (The desired response rate reflected the author's intentions to provide only a single mailing of the survey and cover letter to Nebraska newspapers. The 25 percent target was extrapolated from response rates reported by Dillman for mailed surveys with no follow-up, factoring in an estimated penalty for a survey that was more than twice the 10-12 page "optimal length" that he cites. The author felt that because pre-test survey recipients would have a lesser stake in the survey outcome than would Iowa recipients, a 25 percent response to this single mailing would be a very positive indication that the actual survey would generate significantly more returns and approach the 40 to 50 percent response rate that the author had hoped would occur.)

Second, because the survey was lengthy (26 pages),

163

Don A. Dillman, Mail and Telephone Surveys: The Total Design Method (New York: John Wiley & Sons, 1978), 27.

the author was apprehensive that actual survey responses might far fall short of the hoped-for 25 to 30 returns.

Third, the pre-test was proposed in order to determine whether newspaper managers would provide answers to a number of key questions about financial performance that some newspaper managers might regard as highly sensitive or perhaps difficult to answer.

Fourth, the author wanted to pre-test the survey instrument to determine how much time was required on average for respondents to complete the survey. This information would be used as a guide either to reduce the number of questions if completion time seemed excessive (more than about 40 minutes) or, if less than about 40 minutes, to indicate in a cover letter accompanying the Iowa surveys an approximate time commitment required to complete the survey.

Fifth, Marsh cautions that structured questionnaires "always run into difficulties with unanticipated definitions and responses..., so, to succeed, they rely on very careful piloting (pre-testing)."¹⁶⁴

Dillman observes that no amount of pre-testing is

164

Catherine Marsh, "The Survey Method; The Contributions of Surveys to Sociological Explanation," Contemporary Social Research Series, ed. Martin Bulmer (London: George Allen & Unwin (Publishers) Ltd., 1982), 59.

likely to eliminate all problems. Accepting this as a given obligates the researcher to eliminate as many problems as possible by conducting an appropriate and careful pre-test.

Nebraska Press Association member newspapers were selected for the pretest for several reasons. First, because Nebraska adjoins Iowa and shares many of the predominantly rural characteristics of Iowa, it seemed that issues of interest to Iowa newspaper managers would be of similar interest to (and perhaps provide somewhat similar responses from) Nebraska newspaper officials. Second, because of the survey's length, the author felt survey recipients would respond only if they considered the research to be of some potential use to them in managing their newspaper operations. Thus, because of proximity and the likelihood that Nebraska newspaper managers were experiencing some of the same economic challenges and anxieties that Iowa publishers had become concerned about, it seemed plausible that Nebraskans might regard the survey as worth the time to reply. The pre-test was undertaken in part to gauge whether adequate response could be obtained for a survey of this length. And while the Iowa Newspaper Association enjoys excellent relationships with any number

of other neighboring or nearby state press associations, Nebraska was selected, in part, because it has often been very cooperative in matters of common interest to Iowa and Nebraska newspapers. Finally, the eastern one-third of Nebraska was selected because it provided a sufficient number of newspapers to offer what the author considered a reliable indication of the survey instrument's validity. Recipients of the survey pre-test did not constitute a random sample of all Nebraska newspapers, but rather a population within a geographic region of the state. Thus, pre-test results could not be generalized to the entire state of Nebraska.

Surveys were addressed to the newspaper publisher(s). Instructions stated that the questionnaire was to be completed by the publisher or managing editor only, since those would generally be the only individuals who would have knowledge in all pertinent areas. This procedure was followed in both the pre-test and actual survey.

The survey was enclosed inside a cover sheet that stressed confidentiality, noted that the intent of the survey to help community newspapers identify coping strategies to help them survive and flourish, and prominently acknowledged the cooperation of the Iowa Newspaper Association, Iowa Newspaper Foundation and the Nebraska Press Association in conducting this research. A

separate cover letter also accompanied the survey, introducing the researcher and emphasizing the information that appeared on the cover of the survey. The cover letter also indicated that the surveys would be numbered in order to identify nonrespondents for the purpose of follow-up mailings. The author was concerned that publishers might efface the identifying number to preserve their anonymity. However, the pre-test mailing eased this fear since identification numbers were not destroyed on any of the surveys returned.

One issue that had to be resolved before mailing the pre-test or the actual surveys was whether publishers of twin weekly newspapers should receive one copy of the survey or two. Often, twin weeklies maintain nearly identical subscription lists, derive their income from the same markets and deliver a similar news/editorial package using the same basic publication format. Thus, in one sense, twin weeklies resemble a single publication with a twice-weekly format. On the other hand, twin weeklies maintain their own identities: they have distinct names, each may be designated an official publication for the purpose of printing public notices for various government entities, and their management and staff may differ to some degree. The author elected to send a questionnaire to each newspaper, leaving it to the publisher or managing editor to determine whether

twin publications differed sufficiently to warrant separate responses.

The pre-test quickly proved its worth by identifying a significant procedural problem: the time needed to prepare the survey pre-test proved to be longer than the author had budgeted. This was due in part to the fact that the author had underestimated the labor involved in photocopying, folding, collating, stuffing envelopes, applying address labels, bundling and delivering the questionnaires to the post office. The miscalculation also occurred in part because the author was unfamiliar with the operation of the brand of equipment that the Iowa Newspaper Association made available to him reproduce the questionnaires. These discoveries and the learning process involved in becoming familiar with the equipment convinced the author to budget proportionately more time for the Iowa mailing and to alter some steps to complete the copying and mailing process more efficiently. The Iowa Newspaper Association also provided more staff people to help with the actual survey mailing, greatly reducing the time requirements.

The pre-test also resulted in a potentially serious oversight being corrected before the actual survey mailing. Despite the author's plans to enclose a postage-paid, self-addressed reply envelope in the pre-test and actual survey mailings, the Nebraska questionnaires were sent without the

reply envelopes. The author quickly realized the error and was able by the following day to send reply envelopes to all Nebraska survey recipients, along with a brief note encouraging their response and calling attention to the return envelope. Thus, Nebraska participants received an unintended and immediate follow-up contact. Added time and cost were the penalty for this oversight, but it prevented what would have been an even more costly error had the oversight occurred in mailing the surveys to 354 Iowa newspapers. Business reply return envelopes were included when the Iowa surveys were mailed. Metered, first-class postage was used to mail both the pre-test and actual surveys. The author included a self-addressed copy of the survey for both the pre-test and actual survey mailings, in order to verify delivery and to note the date of delivery.

The author received next-day delivery for both the pre-test and actual survey mailings.

Pre-test responses exceeded the author's 25 percent target. In all, 31 usable surveys were returned, a 30.1 percent response rate. The pre-test returns indicated the need for clarification of item 41-B, which asked respondents to compare their newspaper's advertising sales for 1983, 1985, and 1987 to the base year 1981. The wording prompted Nebraska respondents to question whether "advertising sales" referred to ad lineage or dollars. The choice would be

somewhat arbitrary, since either would suggest a basic trend in advertising volume. Comparing ad lineage (number of column inches of advertising sold) might provide an objective indication the degree of stability, growth or decline in the newspaper's advertising base. This would not account for the effect that a possible increase of advertising rates might have on the newspaper's revenues, however. Thus, in the actual survey, the phrase, "Based on dollars, NOT on lineage," was added. The author found no other ambiguities in the pre-test survey instrument.

Questions dealing with the state's economy specified "Nebraska" in the pre-test version, and "Iowa" in the actual survey. The Nebraska survey included one question asking how many minutes it had taken respondents to complete the survey. This question was purposely deleted in the Iowa questionnaire, since it was intended only to indicate to Iowa newspaper managers how long they might expect it would take to complete the survey form. The mean time reported by Nebraska respondents was 30 minutes. The actual survey was nearly identical to the pre-test, with the exception of the minor revisions just discussed.

Actual Survey

On August 11, the author traveled to the INA headquarters in Des Moines to photocopy the revised questionnaire for the Iowa Newspaper Survey. On August 12,

the author returned to Des Moines to mail the surveys to all INA member newspapers. Because two newspapers were inadvertently omitted from the author's mailing list, surveys were sent to 352 newspapers, not 354 as intended. This oversight was not discovered until after all of the survey returns had been received and data analysis was being completed. Thus, the omission was realized too late to contact the two papers that had been overlooked.

The author tracked returns, recording the date and the number of responses received. A follow-up postcard was mailed September 1 to nonrespondents, urging them to complete the survey or to write or call to request a new copy if the original questionnaire was no longer available. This generated additional responses and requests for another copy of the survey from 10 recipients. Second copies were mailed upon request. The author had prepared sufficient copies of the survey to send second copies to all nonrespondents, but decided against a blanket mailing to nonrespondents for a number of reasons. First, the author had received feedback from several non-respondents through telephone conversations and written comments saying that the survey was either too lengthy or asked information that was too difficult to compile to justify the time required to respond. Some non-respondents stated directly that they did not wish to receive another survey form and that they would

definitely not be able to complete the questionnaire. The author also received feedback from respondents who had heard similar objections from neighboring publishers when the survey had been mentioned in conversation. The author discussed the issue of a follow-up to all non-respondents with INA director Bill Monroe, in order to determine the funding agency's preference. Monroe said that INA would fund the total follow-up if the researcher felt it necessary, but that the association was very pleased with the number of responses that had been received and would regard the responses as sufficient to provide the information they had hoped to receive from the survey. The author then discussed follow-up alternatives with Dr. Charles Mulford, professor of sociology at Iowa State University who has extensive experience in conducting mail surveys. Mulford said that he had found that with complex and lengthy surveys, the quality of information declined in late returns received from non-respondents who felt pressured to reply because of persistent follow-up requests. In light of the favorable response rate that had been obtained and the advice received, the author elected to use the single postcard follow-up and send second copies of the questionnaire only upon request.

Statistical Methods

Survey data were analyzed by computer, using SPSS-PC software. Frequency runs were completed for all 194 variables, and selected descriptive statistics (means, medians, modes, maximum and minimum values, standard deviations, sums and quartiles) were obtained when appropriate. Computer-generated barcharts were also requested for certain variables. Associations between variables were analyzed using crosstabulation tables and the chi-square statistic to test the significance of associations.

CHAPTER IV: RESULTS

Response Rate

The first responses from the August 12 mailing of the Iowa newspaper survey were received on August 16, 1988. Returns were accepted through September 20, nearly six weeks after the surveys were sent out. One additional questionnaire arrived on October 24, 1988, too late to be included in the data analyses. In all, 169 of the 352 questionnaires mailed to Iowa newspaper publishers were returned by the September 20, 1988, cutoff date. Eight of those were blank, in some cases returned with a completed survey and a note explaining that the response represented both newspapers of a twin weekly combination. In no instance did a publisher of a twin weekly newspaper return more than one completed survey. Therefore, it became apparent that it would be more appropriate for the purposes of this survey to regard twin weeklies as twice weeklies (i.e., a single publication issued twice a week), rather than as two distinct weekly newspapers. This is an important difference when computing the survey response rate. Thirteen twin weekly newspaper pairs are included in the 1988 INA membership list. They appear as 26 individual newspapers. By considering them to be twice-weeklies, the number of potential respondents is reduced by 13, from 352 to 339. In addition, two newspapers reported being nearly

identical twins, in that only the front pages of the two weeklies differed. The publisher of those newspapers elected to complete only a single survey. The author therefore decided to treat this "near twin" as a twice-weekly in determining the potential response pool. This further decreased the total number of potential responses by one to 338. In two other instances, twin weekly operations noted that they had merged their two editions into a single, once-a-week newspaper. As a result, the potential response total dropped to 336. And at least two of the weekly newspapers in the 1988 INA directory had gone out of business by the August survey mailing, further decreasing the possible number of respondents to 334.

The 161 usable responses thus represented a 48.2 percent response rate. The author regarded this as excellent, considering the length of the survey, the complex and potentially sensitive nature of some questions, and the decision not to send second copies of the survey to all nonrespondents in the follow-up effort. INA director Monroe also termed the response rate "excellent," noting that it was at least as good as, or better than, response rates INA routinely receives from other, much simpler requests for information from member publishers. The percentage of replies exceeded most response rates reported in the literature of business planning surveys reviewed by the

author. Response rates for other mail surveys ranged from as low as 11 percent in a survey by O'Neill and Duker of 142 firms that had failed,¹⁶⁶ to 45.5 percent in Dollinger's survey of 180 small business owner/operators in Pennsylvania.¹⁶⁷ Out of eleven mail surveys in the author's review of planning literature, five (including Dollinger) had response rates above 40 percent (Pelham and Clayson, 40.4 percent;¹⁶⁸ Rhyne, 42.4 percent;¹⁶⁹ Kallman and Shapiro, 43.5 percent;¹⁷⁰ Schuman, 43.8 percent;¹⁷¹ and, Dollinger, 45.5 percent.¹⁷²)

Characteristics of Responding Newspapers

Frequency distributions show that 120 responses (75 percent) were received from weekly newspapers. This compares to 80 percent (270 of 334) in the total INA membership. Seventeen responses (11 percent) were from papers published two to four times per week. INA membership of newspapers with this frequency is 8 percent (26 of 334, using the

¹⁶⁶

O'Neill and Duker, 35.

¹⁶⁷

Marc J. Dollinger, "Environmental Contacts and Financial Performance of the Small Firm," Journal of Small Business Management, 23, No. 1 (January, 1985): 25.

¹⁶⁸

Pelham and Clayson, 46.

¹⁶⁹

Rhyne, 429.

¹⁷⁰

Kallman and Shapiro, 82.

¹⁷¹

Schuman, 81.

¹⁷²

Dollinger, 25.

author's definition of "twice-weekly" newspapers). And 22 responses (14 percent) were from dailies (papers published five or more times per week), which compares to 11 percent (38 of 334) dailies among all INA members. These findings indicate that weekly newspapers are slightly under-represented and papers with publishing frequencies of two to four times a week and dailies are slightly over-represented in the survey responses. In general, however, it appears that survey results adequately represent papers of various publishing frequencies. Two responses did not specify publishing frequency.

Paid circulation of responding newspapers ranged from 460 subscribers to 72,000. The mean was 4,218, and the standard deviation was 7,698. The median was 2,439. This compares to a mean circulation of 4,393 and median of 1,777 for the entire INA membership, which reports circulations ranging from 210 to 221,488. By inspection, it appears that the paid circulation of the responding papers was representative of the population.

Responding newspapers were located in cities with populations ranging from 365 to 300,000, with a mean 7,858, and a standard deviation of 27,314. Median population of cities served by respondents' newspapers was 2,244. The INA membership list reports populations ranging from 283 to 190,910. Mean population reported by all INA

members is 6,623, and the median was 1,700. The differences between the sample and the population appear to be only minor. Thus, the population of respondents' communities appears to be representative of the population of all cities with INA member newspapers.

173

The finite population correction formula was used to determine that at a 95 percent confidence interval, the sampling error for these data is $\pm .04$. Sampling error determined by this method, is calculated as follows:

$$\text{Sampling Error} = (1.96) \sqrt{\frac{.25}{n} \frac{(N-n)}{N}}$$

where N is the population total, and n is the sample size.

It should be noted that some INA member newspapers did not provide circulation or population figures for the INA rate and data listings. In such cases, the information was not included in the information presented here.

Responses were received from newspapers located in 90 of Iowa's 99 counties. Not represented in survey responses were three counties in northwest Iowa (Dickinson, Emmet, and Palo Alto); one in northeast Iowa (Fayette); two counties in southeast Iowa (Johnson and Muscatine); and three counties in southwest Iowa (Greene, Audubon and Mills). The fact that newspapers in 91 percent of all Iowa counties offered responses indicates that survey results were representative

 173

Taro Yamane, Elementary Sampling Theory (Englewood Cliffs: Prentice-Hall, Inc., 1967), 70-1.

of the entire state. That these results are representative of all INA member newspapers is further validated by the fact that nonrepresented counties were not concentrated in a single region, but occurred in all four quadrants of the state. Therefore, although self-administered surveys such as this produce, in effect, a self-selected sample, it appears that survey results are representative of the entire Iowa Newspaper Association membership.

Characteristics of Individual Respondents

The following characteristics describe Iowa newspaper survey respondents:

Title Owner/publishers constituted the majority (73.9 percent) of respondents. A total of 119 owner/publishers and 21 publishers who are not owners (13.0 percent) answered the survey. Considered together, 86.9 percent of the surveys were answered by publishers. Managing editors answered 17 surveys (10.6 percent). And though the survey asked that only publishers or managing editors complete the questionnaire, three respondents marked "other." One respondent did not indicate a job title.

State resident Respondents have lived in Iowa an average (median) of 38.3 years. State residency ranged from less than 30 days to 77 years. The mean term of state residency was 39.8 years, the mode was 40.0 years.

Years of newspaper experience On the average,

respondents have 19.0 years of experience (median) in the newspaper industry. The least experienced respondent reported having 10 months' newspaper experience. The most experience was 65.0 years. The mode was 30.0 years, the mean 22.8 years.

Tenure at present newspaper The median length of time respondents have worked at their present newspaper was 11.2 years. Tenure ranged from 3 months to 58 years. The mode was 7.0 years, the mean 16.0 years.

Tenure in present position Two respondents had held their present job titles only two months to share the distinction of having least seniority in their position among those who completed the questionnaire. The respondent who had held his or her present position the longest reported having served in the same capacity for 58.0 years. The median was 9.8 years, the mode 5 years, and the mean 12.4 years.

Age Respondents ranged in age from 26 to 78 years. The median was 47 years, the mean 48, and the mode 40.

Gender Responses were received from 126 men (78.3 percent of the total responses) and from 34 females (21.1 percent). One respondent did not indicate gender.

The "Typical" Respondent

Taken together, these statistics can be used to create the following composite of the "typical" Iowa newspaper

survey respondent: The respondent is a 47-year-old male who has lived in Iowa 40 years, owns and publishes the newspaper he currently serves and has been its owner/publisher for 9.8 years. He has worked at this same newspaper for 11.2 years and has 19 years' experience in the newspaper business. The paper that he produces is published once a week, has a paid circulation of 2,439 subscribers and is located in a community of 2,244 residents.

Results of Hypotheses Testing

H1: Iowa newspaper publishers and managing editors perceive change and uncertainty in their environment.

The data offer support for this hypothesis.

Survey question 30 asked respondents to indicate how much uncertainty each of eight possible factors would introduce if they were trying to make reliable predictions about the future of their newspaper. Choices ranged from "Almost no uncertainty" to "Almost total uncertainty. The survey instrument did not provide the opportunity to respond that a variable introduced no uncertainty into the managers' predictive ability, though a respondent might hold that view. Allowing for the possibility that a respondent would choose "Almost no uncertainty" to indicate "none," all other response categories can be regarded as indicators of uncertainty. Each of the eight items were answered by 151 or more of the

161 survey respondents. Only one of the eight factors represented "almost no uncertainty" for more than half of the respondents. Suppliers and jobbers were regarded as a source of "almost no uncertainty" by 79 (52.3 percent) of those answering the question. Employees posed almost no uncertainty for 65 (42.3 percent) of respondents. All other factors were given higher uncertainty values by 80 percent or more of those who responded. All but 12 of 155 respondents who offered an opinion (92.3 percent) said that their local economy was a source of uncertainty. Seventy-three percent said the local economy represented "quite a bit of uncertainty," or "almost total uncertainty."

H1-a: Iowa weekly newspaper managers perceive a higher degree of environmental uncertainty than do managers of Iowa newspapers that publish more frequently.

These data do not offer support for this hypothesis.

In order to test this hypothesis, a new variable labeled "total perceived uncertainty" was created. Uncertainty values on each of the eight sources of uncertainty were summed for every valid case. This aggregate variable was recoded with values above the mean (20.3) categorized as "high uncertainty." All other values were labeled "low uncertainty." Publishing frequencies were recoded to produce two categories: weeklies, and newspapers published more than once a week.

Crosstabulations were run, and chi-square used to test results. A chi-square significance value of .5685 was reported, indicating no significant association occurs between the variables. These are summarized in Table 1.

Table 1. Total Perceived Uncertainty by Managers of Iowa Weekly and Non-weekly Newspapers

PUBLISHING FREQUENCY	TOTAL PERCEIVED UNCERTAINTY		
	Low	High	Total
Weekly	54 a 52.4	49 47.6	103
Non-Weekly (More than one issue per week)	18 50.0	18 50.0	36
n =	72	67	139
Chi-Square = 1.12935	Significance = .5685		

a
Row percent.

H1-b: The smaller the newspaper's circulation, the greater is the degree of perceived uncertainty.

Survey data do not support this hypothesis.

Hypothesis H1-b was tested using a crosstabulation table and chi-square test to compare paid circulation and the aggregated variable "total perceived uncertainty." The chi-square value (.3783) showed the association was not significant. Table 2 summarizes these survey data.

Table 2. Paid Circulation and Total Perceived Uncertainty

PAID CIRCULATION	TOTAL PERCEIVED UNCERTAINTY		
	Low	High	Total
1370 or Less	19	14	33
	^a		
Circulation (1st Qtl)	57.6	42.4	
1371-2500	22	15	37
Circulation (2nd Qtl)	59.5	40.5	
2501-4000	15	21	36
Circulation (3rd Qtl)	41.7	58.3	
More than 4000	16	18	34
Circulation (4th Qtl)	47.1	52.9	
	<hr/>	<hr/>	<hr/>
n =	72	68	140
Chi-Square = 3.08778	Significance = .3783		

a

Row percent.

H2: Iowa newspaper publishers and managing editors regard local economic conditions as the major source of uncertainty among eight possible sources listed.

The survey data supported this hypothesis.

Hypothesis 2 was tested by summing the values assigned to each response and comparing the total score that each of

the eight factors earned. Response values were as follows:

Response	Value
ALMOST NO UNCERTAINTY	1
NOT MUCH UNCERTAINTY	2
SOME UNCERTAINTY	3
QUITE A BIT OF UNCERTAINTY	4
ALMOST TOTAL UNCERTAINTY	5

Table 3 reports the response sums for each of the possible sources of uncertainty listed in survey question.

Table 3. Summed Scores for Eight Possible Sources of Environmental Uncertainty

	RANK ORDER	SOURCE OF UNCERTAINTY	SUMMED SCORE
MOST UNCERTAINTY	1	Local Economy	479
	2	State, U.S., or Other Economic Conditions	454
	3	Government	411
	4	New Technology	409
	5	Customers	395
	6	Competitors	383
	7	Employees	291
LEAST UNCERTAINTY	8	Suppliers/Jobbers	258

H2-a: Iowa weekly newspaper managers perceive a higher degree of uncertainty in the local environment than do managers of Iowa newspapers that publish more frequently.

Survey data do not support Hypothesis 2-a.

The chi-square values showed no significant relationship in any of the crosstab pairings between publishing frequency and the eight uncertainty variables. Chi-square values for each pairing are reported in Table 4.

Table 4. Chi-square Values Reported for Publishing Frequency and Uncertainty Crosstabulations

DEPENDENT VARIABLE	INDEPENDENT VARIABLE: PUBLISHING FREQUENCY	
	CHI-SQUARE	SIGNIFICANCE
Uncertainty from Employees	3.81	.87
Uncertainty from Suppliers and Jobbers	2.80	.95
Uncertainty from Customers	3.57	.89
Uncertainty from Competitors	8.97	.34
Uncertainty from Government	3.54	.90
Uncertainty from the Local Economy	5.63	.69
Uncertainty from State, U.S., or Other Economic Conditions	2.73	.95
Uncertainty from Changing Technology	4.16	.84

H2-b: The smaller the newspaper's circulation, the greater is the degree of uncertainty perceived in local economic conditions.

The survey data do not support Hypothesis 2-b. Chi-square significance values indicate that there are significant associations between paid circulation and three of the eight uncertainty variables. The chi-square significance value reported for the association between paid circulation and suppliers/jobbers was significant at the .05 level. Paid circulation and uncertainty from both

Table 5. Chi-square Values Reported for Paid Circulation and Uncertainty Crosstabulations

DEPENDENT VARIABLE	INDEPENDENT VARIABLE: PAID CIRCULATION	
	CHI-SQUARE	SIGNIFICANCE
Uncertainty: Employees	16.15	.1845 **
Uncertainty: Jobbers/Suppliers	25.91	.0118
Uncertainty: Customers	16.69	.1616 *
Uncertainty: Competitors	18.97	.0893
Uncertainty: Government	13.46	.3368
Uncertainty: Local Economy	13.82	.3126
Uncertainty: State, U.S., Other Economic Conditions	7.06	.8534
Uncertainty: Changing Technology	19.46	.0779 *
**	*	
Significant at .05 level.	Significant at .10 level.	

competitors and from new technology were significant at the level of .10. But in each instance, the direction of the association was contrary to the relationship proposed in the hypotheses. There was not a statistically significant relationship between the aggregate uncertainty variable ("total perceived uncertainty") and paid circulation.

Table 5 reports the chi-square values for these pairings.

H3: Iowa newspaper publishers and managing editors perceive suppliers/jobbers as the source of least uncertainty among eight possible choices listed.

This hypothesis was supported by the survey data.

Results are presented in Table 3.

H4: Iowa newspaper publishers and managing editors rate the current Iowa economy as "fair."

The survey data support Hypothesis 4.

Frequency distributions show that no respondents described the state's economy as very poor or very good. Only 16 respondents (10 percent of those choosing to answer this question) described the Iowa economy as poor, while 34 (21.3 percent) regarded it as good. The majority--110 respondents (68.8 percent)--said Iowa was in fair economic shape. Table 6 presents these findings.

Table 6. Iowa Newspaper Managers' Opinions about the Current Iowa Economy

MANAGERS' OPINION:	FREQUENCY	PERCENT	CUMULATIVE PERCENT
Poor	16	10.0	10.0
Fair	110	68.8	78.8
Good	34	21.3	100.0
Total: n =	<u>160</u>		

H4-a: Iowa weekly newspaper managers give the current Iowa economy a more negative rating than do managers of newspapers that are published more frequently.

Hypothesis 4-a was not supported by the survey data.

A crosstabulation with publishing frequency and the

Table 7. Publishing Frequency and Opinions of Iowa Newspaper Managers about Current Economic Conditions in Iowa

PUBLISHING FREQUENCY	OPINION OF STATE ECONOMY			TOTAL
	Poor	Fair	Good	
Weekly	12	81	27	120
	^a 10.0	67.5	22.5	
Non-weekly (More than Once a Week)	4	28	7	39
	10.3	71.8	17.9	
	<u>16</u>	<u>109</u>	<u>34</u>	<u>159</u>
	10.1	68.6	21.4	
Chi-square = .82523	Significance = .9350			

^a
Row percent.

respondents' assessment of the Iowa economy produced a chi-square with a .9350 significance value. Table 7 summarizes the results.

H4-b: The smaller the newspaper's circulation, the more negatively the manager rates the current Iowa economy.

Hypothesis 4-b was not supported.

A chi-square significance value of .7447 was reported, indicating no significant association between the variables. These results are summarized in Table 8.

Table 8. Paid Circulation and Opinions about the Current Iowa Economy

PAID CIRCULATION	OPINION OF CURRENT IOWA ECONOMY			TOTAL
	Poor	Fair	Good	
1370 or less	3	30	7	40
circulation (1st Qt1)	7.5 ^a	75	17.5	
1371-2500	6	28	9	43
circulation (2nd Qt1)	14.0	65.1	20.9	
2501-4000	2	29	8	39
circulation (3rd Qt1)	5.1	74.4	20.5	
More than	4	23	10	37
4000 circulation (4th Qt1)	10.8	62.2	27.0	
n =	<u>15</u>	<u>110</u>	<u>34</u>	<u>159</u>
Chi-Square = 3.49463	Significance = .7447			

^a

Row percent.

H5: Iowa newspaper publishers and managing editors believe the economic condition of their local communities is "fair."

The survey data support Hypothesis 5.

Frequency distributions show that responses ranged from a "very poor" rating by 1 respondent (0.6 percent) to a "very good" rating by 5 others (3.1 percent). A 54.4 percent majority of those offering an opinion (87 respondents) rated their local economy as "fair." Opinions were skewed toward the positive, as 48 respondents (30.0 percent) described their local economy as "good," while only 19 (11.9 percent) rated their local economy as "poor." Table 9 shows these results.

Table 9. Publishing Frequency and Opinions of Iowa Newspaper Managers about Their Current Local Economy

OPINION	FREQUENCY	PERCENT	CUMULATIVE PERCENT
Very Poor	1	.6	0.6
Poor	19	11.9	12.5
Fair	87	54.4	66.9
Good	48	30.0	96.9
Very Good	5	3.1	100.00
	n =	160	

H5-a: Managers of Iowa newspapers published more frequently than once a week rate their local economy more positively than do Iowa weekly newspaper managers.

The survey data offered no statistically significant support for Hypothesis 5-a. The chi-square value for significance was .2009. Thus, no significant association was found to exist between publishing frequency and managers' perceptions of current local economic conditions.

Table 10 summarizes these results:

Table 10. Publishing Frequency and Opinions of Iowa Newspaper Managers about the Current Economy in Their Local Community

PUBLISHING FREQUENCY	OPINION OF CURRENT LOCAL ECONOMY			TOTAL
	Poor/ Very Poor	Fair	Good/ Very Good	
WEEKLIES	18	67	35	120
	^a 15.0	55.8	29.2	
NON-WEEKLIES (Published More Than Once A Week)	2	19	18	39
	5.1	48.7	46.2	
n =	<u>20</u>	<u>86</u>	<u>53</u>	<u>159</u>
Chi-square = 5.97725	Significance = .2009			

a

Row percent.

H5-b: The smaller the newspaper's circulation, the more negative is the rating of local economic conditions.

Survey data provided no statistically significant support for Hypothesis 5-b. A significance value of .5041 was

computed for the chi-square test of association. Thus, no statistically significant association was found to exist between newspaper circulation and the manager's opinion of current local economic conditions. Table 11 summarizes the results.

Table 11. Paid Circulation and Opinions of Iowa Newspaper Managers about their Local Economic Conditions

PAID CIRCULATION	OPINION OF CURRENT LOCAL ECONOMY				TOTAL
	Poor	Fair	Good	Very Good	
1370 or less (1 Qt1)	5 12.5 ^a	23 57.5	12 30.0	0 0.0	40
1371-2500 (2 Qt1)	6 14.0	25 58.1	11 25.6	1 2.3	43
2501-4000 (3 Qt1)	4 10.3	24 61.5	10 25.6	1 2.6	39
More than 4000 (4 Qt1)	4 10.8	15 40.5	15 40.5	3 8.1	37
n =	19 11.9 ^b	87 54.7	48 30.2	5 3.1	159
Chi-square = 8.30113	Significance = .5041				

a
Row percent.

b
Column percent.

H6: Publishers and managing editors of Iowa newspapers published more frequently than once a week rate the current economic condition of their newspaper as "good."

H7: Publishers and managing editors of Iowa weekly newspapers rate the economic condition of their newspaper as "fair."

Survey data offer partial support for Hypothesis 6 and for Hypothesis 7.

Frequency distributions show that 65 respondents described the current economic condition of their newspapers as "fair" and 65 rated their newspaper's condition as "good." In each case, the number represented 40.6 percent of those offering an opinion. (Note: one respondent did not indicate the frequency of his or her newspaper. The total

Table 12. Publishing Frequency and Opinions of Iowa Newspaper Managers about the Current Economic Condition of Their Newspapers

PUBLISHING FREQUENCY	OPINION OF NEWSPAPER'S CONDITION				TOTAL
	Poor	Fair	Good	Very Good	
WEEKLIES	18	51	42	9	120
	^a 15.0	42.5	35.0	7.5	
NON-WEEKLIES (Published more than once a week)	3	14	22	0	39
	7.7	35.9	56.4	0.0	
n =	<u>21</u>	<u>65</u>	<u>64</u>	<u>9</u>	<u>159</u>
	^b 13.1	40.6	40.3	5.6	
Chi-square = 9.24880		Significance = .1601			

a
Row percent.

b
Column percent.

number of responses in the crosstabulation table is therefore 159.) The chi-square test produced no significant relationship between publishing frequency and how managers rate the newspaper's current condition. A significance value of .1601 was reported. However, an analysis of the crosstabulation table shows that a plurality (33.8 percent) of the non-weekly managers did judge their newspapers to be in "good" economic condition. In contrast, a plurality of the weekly publishers (42.5 percent) answered "fair" to the question of their newspaper's current condition. Table 12 summarizes the findings for Hypotheses 6 and 7.

H7-a: The smaller the newspaper's circulation, the more negatively the manager rates the newspaper's economic condition.

The survey data did not support Hypothesis 7-a.

The chi-square significance value was .8019 for this test of association. There is therefore no significant association between circulation and the respondent's opinion of the newspaper's current condition. Results are shown in Table 13.

Table 13. Paid Circulation and Opinions of Iowa Newspaper Managers about the Current Economic Condition of Their Newspapers

CIRCULATION	OPINION OF NEWSPAPER'S CONDITION				TOTAL
	Poor	Fair	Good	Very Good	
1370 or Less	7	17	13	3	40
(1st Qt1)	17.5 ^a	42.5	32.5	7.5	25.2
1371-2500	4	21	16	2	43
(2nd Qt1)	9.3	48.8	37.2	4.7	27.0
2501-4000	4	13	20	2	39
(3rd Qt1)	10.3	33.3	51.3	5.1	24.5
More than 4000 (4 Qt1)	6	13	16	2	37
	16.2	35.1	43.2	5.4	23.3
	<u>21</u>	<u>64</u>	<u>65</u>	<u>9</u>	<u>159</u>
	13.2 ^b	40.3	40.9	5.7	

Chi-square = 5.35930

Significance = .8019

a

Row percent.

b

Column percent.

H8: Iowa newspaper publishers and managing editors believe the Iowa economy will improve in the next five years.

H9: Iowa newspaper publishers and managing editors believe their local economy will improve in the next five years.

H10: Publishers and managing editors of Iowa newspapers think their newspapers will do better in the next five years.

Survey data support hypotheses 8, 9 and 10. Frequency distributions disclose that a majority of the respondents says it believes that both the Iowa economy and the economic condition of their newspapers will improve in the next five years, while a plurality says it feels their local economy will get better. Table 14 presents the survey data to support these conclusions.

Table 14. Iowa Newspaper Managers' Opinions about Economic Conditions in the Next Five Years

AREA OF ECONOMY	OPINION EXPRESSED	FREQUENCY	PERCENT
STATE ECONOMY			
	Much worse in 5 years	0	0.0
	A little worse	9	5.6
	About the same	43	26.9
	A little better	89	55.6
	Much better	19	11.9
LOCAL ECONOMY			
	Much worse in 5 years	1	0.6
	A little worse	13	8.1
	About the same	44	27.5
	A little better	84	52.5
	Much better	18	11.3
THIS NEWSPAPER			
	Much worse in 5 years	1	0.6
	A little worse	17	10.7
	About the same	43	27.0
	A little better	86	54.1
	Much better	2	7.5

n = 160 responses for each question

H8-a: The smaller the newspaper's circulation, the more pessimistic the manager is about Iowa's future economy.

Survey data provided no statistically significant support for Hypothesis 8-a. The chi-square test of association yielded a significance value of .4178. These results are summarized in Table 15.

Table 15. Paid Circulation and Iowa Newspaper Managers' Opinions of the 5-Year Outlook for the Iowa Economy

PAID CIRCULATION	5-YEAR OUTLOOK: IOWA ECONOMY				TOTAL
	A little Worse	About the Same	A little Better	Much Better	
1370 or Less	5.	9	23	3	40
(1st Qt1)	12.5 ^a	22.5	57.5	7.5	25.2
1371-2500	2	15	21	5	43
(2nd Qt1)	4.7	34.9	48.8	11.6	27.0
2501-4000	1	12	20	6	39
(3rd Qt1)	2.6	30.8	51.3	15.4	24.5
More than 4000	1	7	24	5	37
(4th Qt1)	2.7	18.9	64.9	13.5	23.3
	9	43	88	19	159
	5.7 ^b	27.0	55.3	11.9	
Chi-square = 9.21359		Significance = .4178			

a
Row percent.

b
Column percent.

H9-a: The smaller the newspaper's circulation, the more pessimistic the manager is about the local economy.

Survey data offer partial support for Hypothesis 9-a.

When paid circulation and local economic outlook were crosstabulated retaining all attitude responses, the chi-square value was not significant (.1625). However, the crosstab table indicated that a relationship existed between paid circulation and an overall negative or positive outlook. Thus, the attitude responses were recoded to collapse "much worse" and "a little worse" into a single category ("worse"), and "much better" and "a little better" into a single category ("better"). A third response category, "about the same" was retained. The resulting test of association produced a chi-square value of 13.849, which has a .0314 significance value. The crosstabulation table showed 7 of the managers of the smallest newspapers offering an opinion (17.5 percent) expressed a negative opinion about their local economy. By comparison, 3 respondents (7.0 percent) in the next largest circulation group had a pessimistic outlook, and 2 respondents from both the next-to-the-largest and the largest circulation groups were pessimistic. And while optimistic responses characterized 55 percent of the smallest newspapers and 51.2 percent of the newspapers in the second quartile, the papers in the top half of the circulation groupings provided favorable

responses of 74.4 percent and 78.4 percent for the third and fourth quartiles respectively. This relationship is reported in Table 16.

Table 16. Paid Circulation and Iowa Newspaper Managers' Outlooks for Their Local Economy in the Next Five Years

PAID CIRCULATION	LOCAL ECONOMIC OUTLOOK			TOTAL
	Worse	About the Same	Better	
1370 or less (1st Qt1)	7 ^a 17.5	11 27.5	22 55.0	40
1371-2500 (2nd Qt1)	3 7.0	18 41.9	22 51.2	43
2501-4000 (3rd Qt1)	2 5.1	8 20.5	29 74.4	39
More than 4000 (4th Qt1)	2 5.4	6 16.2	29 78.4	37
n =	<u>14</u> ^b 8.8	<u>43</u> 27.0	<u>102</u> 64.2	<u>159</u>
Chi-square = 13.84880	Significance = .0314			

^a
Row percent.

^b
Column percent.

H10-a: The smaller the newspaper's circulation, the more pessimistic the manager is about the newspaper's future.

Survey data offered strong support for Hypothesis 10-a.

The chi-square significance value produced by

crosstabulating paid circulation and newspaper managers' outlooks for their newspapers was .0084, which is significant at the .01 level. Table 17 shows the results.

Table 17. Paid Circulation and Iowa Newspaper Managers' Outlooks for Their Newspapers for the Next Five Years

PAID CIRCULATION	5-YEAR OUTLOOK FOR THIS NEWSPAPER				
	Much Worse	A Little Worse	About the Same	A Little Better	Much Better
1370 or Less (1st Qtl)	5 ^a 12.5	9 22.5	12 30.0	12 30.0	2 5.0
1371-2500 (2nd Qtl)	0 0.0	11 25.6	13 30.2	19 44.2	0 0.0
2501-4000 (3rd Qtl)	0 0.0	6 15.4	15 38.5	17 43.6	1 2.6
More than 4000 (4 Q)	0 0.0	2 5.6	12 33.3	19 52.8	3 8.3
n =	<u>40</u> ^b 25.3	<u>43</u> 27.2	<u>39</u> 24.7	<u>36</u> 22.8	<u>158</u>
Chi-square = 26.75700		Significance = .0084			

^a
Row percent.

^b
Column percent.

H10-b: The younger the respondent, the more likely he or is to be pessimistic about the future of the newspaper.

These research data do not support Hypothesis 10-b.

Crosstabulations produced a chi-square significance

value of .7439. The results are summarized in Table 18.

Table 18. Age of Iowa Newspaper Manager Respondents and Their Outlooks for Their Newspapers Over the Next Five Years

AGE	5-YEAR OUTLOOK FOR RESPONDENTS' NEWSPAPERS					TOTAL
	Much Worse	A Little Worse	About the Same	A Little Better	Much Better	
35 or Younger	0 a	2	4	14	2	22
	0.0	9.1	18.2	63.6	9.1	13.8
	0.0 b	11.8	9.3	16.3	16.7	
36 to 52 Years of Age	0	9	19	45	6	79
	0.0	11.4	24.1	57.0	7.6	49.7
53 and Older	1	6	20	27	4	58
	1.7	10.3	34.5	46.6	6.9	36.5
	100.0	35.3	46.5	31.4	33.3	
	<u>1</u>	<u>17</u>	<u>43</u>	<u>86</u>	<u>12</u>	<u>159</u>
	0.6	10.7	27.0	54.1	7.5	

Chi-square = 5.12705

Significance = .7439

a

Row percent.

b

Column percent.

H10-c: Female respondents are more likely to be optimistic about the future of the newspaper than are male respondents.

Hypothesis 10-c did not find support from these data.

Crosstabulations produced a chi-square significance value of .8604. Table 19 offers the results of this test of association.

Table 19. Gender of Iowa Newspaper Managers and Their Outlooks for Their Newspapers Over the Next Five Years

GENDER	5-YEAR OUTLOOK FOR RESPONDENTS' NEWSPAPERS					TOTAL
	Much Worse	A Little Worse	About the Same	A Little Better	Much Better	
Male	1	12	33	69	10	125
	^a 0.8	9.6	26.4	55.2	8.0	78.6
Female	0	5	10	17	2	34
	0.0	14.7	29.4	50.0	5.9	21.4
	1	17	43	86	12	159
	0.6	10.7	27.0	54.1	7.5	

Chi-square = 1.30585

Significance = .8604

^a

Row percent.

H11: Iowa newspaper publishers and managing editors who rate the economic condition of their newspapers as "fair," or worse, believe the Iowa newspaper industry in general is doing better than their newspaper.

Hypothesis 11 did not receive statistically significant support from the survey data. Of 86 qualifying cases, only 41 (47.7 percent) supported the predicted association. Crosstabulations were run to match respondents' opinions about the newspaper industry and about their own newspapers. A chi-square significance value of .4362 was reported. This did not meet the .10 minimum for significance

and thus the hypothesis was rejected. These results are presented in Table 20.

Table 20. Perceptions of the Current Condition of the Iowa Newspaper Industry by Iowa Newspaper Managers Who Rate Their Newspaper's Condition as "Fair," or Worse

PERCEPTION OF THIS PAPER'S CURRENT CONDITION	PERCEIVED CONDITION OF THE IOWA NEWSPAPER INDUSTRY IN GENERAL			TOTAL
	Poor	Fair	Good	
Poor	5	14	2	21
	^a 23.8	66.7	9.5	24.4
	^b 38.5	22.2	20.0	
Fair	8	49	8	65
	12.3	75.4	12.3	75.6
	61.5	77.8	80.0	
	13	63	10	86
	15.1	73.3	11.6	
Chi-square = 1.65953		Significance = .4362		

a
Row percent.

b
Column percent.

H12: Iowa newspaper publishers and managing editors believe newspapers with circulations similar to theirs are in the same economic condition as their newspaper.

Hypothesis 12 was supported by the survey data.

Table 21. Current Economic Condition of Respondents' Newspapers and How Iowa Newspaper Managers Perceive the Current Economic Condition of Newspapers with About the Same Circulation

RESPONDENTS' OPINIONS OF THE CURRENT ECONOMIC CONDITION OF NEWSPAPERS WITH SIMILAR CIRCULATION					
THIS PAPER'S CURRENT CONDITION	Poor	Fair	Good	Very Good	TOTAL
Poor	11 ^a 52.4	8 38.1	2 9.5	0 0.0	21 13.1
Fair	13 20.0	49 75.4	3 4.6	0 0.0	65 40.6
Good	4 6.2	33 50.8	27 41.5	1 1.5	65 40.6
Very Good	1 11.1	4 44.4	4 44.4	0 0.0	9 5.6
	29 ^b 18.1	94 58.8	36 22.5	1 0.6	160
Chi-Square = 49.38124	Significance = .0000				

a
Row percent.

b
Column percent.

Boldface type = Condition of Newspaper and Similar-
Circulation Papers Perceived as Same.

Crosstabulations provided a revealing look at how
newspaper publishers and managers consider their business in

relationship to other, similar newspaper operations. The crosstab table showed that a plurality of the respondents (77 of 160 managers, or 48.1 percent) believed like-sized newspapers were getting along about the same as they were. The results also show that only 14 managers (8.8 percent) believed papers of like circulation were doing better than they were. But 59 respondents (36.9 percent) thought their newspapers were doing better than other similar-sized papers. A chi-square significance value of .0000 was reported. This suggests there is a highly significant association between the opinions newspaper managers hold about their newspapers and similar sized papers. Table 21 summarizes these findings.

H13: Overall sales and advertising sales trends reported by Iowa newspapers for the 1980s reflect little or no growth for the period.

The survey data offered partial support for Hypothesis 13. Respondents were asked to indicate their overall sales trends by using a base index of 100 to represent their 1981 sales volume and reporting corresponding levels of sales for 1983, 1985 and 1987. Advertising sales trends were similarly reported. Table 22 summarizes the results.

Table 22 shows that the overall sales trends and advertising sales trends are virtually indistinguishable.

That reflects the primary role that advertising plays in total newspaper revenues. Using current dollars, sales

Table 22. Sales Trends Reported by Iowa Newspapers from 1981 through 1987

TYPE OF SALES	YEAR	MEDIAN	MEAN	QTL1	QTL2	QTL3
		a	b			
Overall Sales	1981	100	100	---	---	---
Overall Sales	1983	105.0	106.7	100	105	110
Overall Sales	1985	110.0	109.3	97.5	110	115.5
Overall Sales	1987	110.0	116.9	100	110	125
		c	d			
Advertising Sales	1981	100	100	---	---	---
Advertising Sales	1983	105.0	106.0	100	105	110
Advertising Sales	1985	108.0	108.9	95	108	116.5
Advertising Sales	1987	110.0	115.2	95	110	124

n for each question ranged from 116 to 125 respondents

-
- a
Median was the index base.
- b
Mean was the index base.
- c
Median was the index base.
- d
Mean was the index base.

increased from 1981 to 1983 to yield a median for both overall and advertising sales index of 105.0. The median

moved to 110.0 for overall sales and to 108.0 for advertising sales by 1985. Two years later, however, both indexes stood at 110, reflecting no change in overall sales and only a 1.9 percent increase in advertising sales. Thus, in terms of current dollars, the median total sales remained constant (flat) for at least one of the reporting periods. If inflation is entered into the trends, however, newspaper revenues actually declined. From 1980 to 1985, the U.S. consumer price index averaged a 5.5 percent per year increase.¹⁷⁴ At that rate, to keep pace with inflation, the sales index should have reached 111 by 1983, 123 by 1985 and topped 136 by 1987. Inflation had dipped to 2 percent by 1986, however,¹⁷⁵ so a more conservative figure is justified. But even if inflation had averaged only 3 percent from 1981 to 1987, the sales index would have needed to reach 106 by 1983, 112 by 1985, and 119 by 1987. Clearly, Iowa newspaper revenues did not stay ahead of inflation. In terms of constant dollars, sales were worse than flat: sales were slipping. Even using the conservative 3 percent inflation index, newspaper revenues fell behind by nearly 10 percent from 1981 to 1987.

174

U.S. Bureau of the Census, Statistical Abstract of the United States: 1988 (108th Ed.) (Washington, D.C.: U.S. Department of Commerce, Bureau of the Census, 1987), p. 445.

175

Ibid.

H13-a: The smaller the newspaper's circulation, the more negative are the advertising and overall sales trends.

Of crosstabulations between paid circulation and each of the sales variables, only the 1983 overall sales showed a statistically significant association. The chi-square significance value was .0536, significant at the .10 level. Table 23 summarizes these results. Since overall sales and advertising are generally so closely correlated, one might expect a significant association between paid circulation and advertising sales, too. But since only overall sales showed a significant association, there is some justification to distrust this apparent significance. On the other hand, Table 22 shows that median advertising and overall sales differed in 1985, so the two variables are not identical. Thus, the association between paid circulation and overall sales for 1983 may have valid significance. If the relationship portrayed in the crosstabulation table is accurate, then one conclusion that could be drawn is that the major overall sales losers in 1985 were the largest and the smallest circulation papers. If overall sales is divided at the median, however, 71.0 percent of the smallest papers fall into the lower sales grouping, while only 48.1 percent of the largest papers were at or below the median.

Table 23. Paid Circulation and Overall Sales for 1983

PAID CIRCULATION	OVERALL SALES INDEX			
	100 and Below (1 Qt1)	101 to 105 (2 Qt1)	106 to 110 (3 Qt1)	Above 110 (4 Qt1)
1370 or Less (1st Qt1)	12 38.7 ^a 26.7 ^b	10 32.3	3 9.7	6 19.4
1371 - 2500 (2nd Qt1)	10 29.4 22.2	7 20.6 29.2	13 38.2 41.9	4 11.8 16.7
2501 - 4000 (3rd Qt1)	13 40.6 28.9	4 12.5 16.7	5 15.6 16.1	10 31.3 41.7
More than 4000 (4th Qt1)	10 37.0 22.2	3 11.1 12.5	10 37.0 32.3	4 14.8 16.7
n =	45	24	31	24

Total n = 124

Chi-square = 16.70381

Significance = .0536

a
Row percent.

b
Column percent.

H14: Circulation trends reported by Iowa newspaper publishers and managing editors are declining.

The survey data do not support Hypothesis 14.

Means and medians were computed for each of the three

reporting years. The median in each instance was 100, indicating that circulation of Iowa newspapers is holding steady. Means showed a slight increase, the effect of large reported circulation increases by a very few respondents. One newspaper manager reported a 542 percent circulation increase (an index of 642) between 1981 and 1987. At the other end of the spectrum was one report of a 25 percent loss in circulation. Quartile breakdowns of paid circulation figures show that the numbers are tightly clustered around the base index (100), with practically no circulation gains apparent after 1983, but continuing erosion for newspapers that began to lose subscribers in 1983. Table 24 shows these results.

Table 24. Circulation Trends Reported by Iowa Newspaper Managers, 1981-1987

YEAR	MEDIAN	MEAN	1 QTL	2 QTL	3 QTL
	a	b			
1981	100	100	---	---	---
1983	100	101.4	98	100	105
1985	100	102.1	93.3	100	105
1987	100	104.7	91.3	100	106.8
	n for 1983 = 118				
	n for 1985 = 120				
	n for 1987 = 128				

a
Median = Index base.

b
Mean = Index base.

H14-a: The smaller the newspaper's circulation to begin with, the greater the percentage of circulation loss has been.

Results of the survey do not support Hypothesis 14-A.

A non-significant level (.2608) was obtained for chi-square when paid circulation and the 1987 circulation index were crosstabulated.

H15: Iowa newspapers had fewer employees in June, 1988, than in June, 1980.

The survey data do not support Hypothesis 15. Table 25 summarizes the employment totals reported by survey respondents.

Table 25. Total Number of Employees Reported by Iowa Newspaper Managers for 1980, 1984 and 1988

YEAR	MEDIAN	MEAN	1 QTL	2 QTL	3 QTL	TOTAL REPORTED NEWSPAPER EMPLOYMENT
1980	6.0	14.5	4	6	14.8	1912 ^a
1984	6.0	15.5	4	6	18.0	2199 ^b
1988	6.5	15.3	4	6.5	17.0	2294 ^c
Net Change in Newspaper Employment:						+ 382

^a
n (respondents providing 1980 employment data) = 132.

^b
n (respondents providing 1984 employment data) = 142.

^c
n (respondents providing 1988 employment data) = 150.

Table 25 shows that the median number of employees in Iowa newspapers held steady from 1980 to 1984, and the mean showed an increase during the same time period. The median number of employees rose from 1984 to 1988, though the mean dipped slightly (0.2). The mean number of employees in 1988 remained above 1.8 higher than the 1980 employment level. Frequency distributions reveal newspapers employed as few as one individual (no respondent indicated managing a newspaper without any employees) to as many as 425 employees. The range in 1980 was from 0 employees reported by five respondents to 375 employees for the largest firm.

H15-a: Iowa newspapers in "medium-sized" cities will most reflect decreases in employee numbers during the 1980s.

Hypothesis 15-a was partially supported by the survey data.

A chi-square value of .0425, significant at the .05 level, was obtained for crosstabulations of population and the change in employment from 1980 to 1988. Population was recoded, splitting the populations at the 33.33 and 66.67 percentiles. This produced groupings of small, medium and large towns. Small towns ranged in population from 365 to 1,550; medium towns ranged from 1,551 to 3,800; large towns were above 3,800. The resulting crosstabulation table showed the largest cities having the greatest declines in newspaper employment. In all, 43.6 percent of the

Table 26. Community Size (ntiles=3) and Change in Employment at Iowa Newspapers from June 1, 1980 to June 1, 1988

COMMUNITY SIZE	CHANGE IN EMPLOYMENT			TOTAL
	Declined	Constant	Increased	
SMALL TOWNS	11	20	16	47
(Population:	^a 23.4	42.6	34.0	37.0
365-1,550)	^b 27.5	54.1	32.0	
MEDIUM-SIZED TOWNS (Pop.: 1,551-3,800)	12	12	17	41
	29.3	29.3	41.5	32.3
	30.0	32.4	34.0	
LARGE TOWNS (Population: More than 3,800)	17	5	17	39
	43.6	11.4	15.4	30.7
	42.5	13.5	34.0	
	<u>40</u>	<u>37</u>	<u>50</u>	<u>127</u>
Chi-square = 9.88141	31.5	29.1	39.4	
		Significance = .0425		

a

Row percent.

b

Column percent.

newspapers in these communities showed an employment decline. This compares to declines in employment for 29.3 percent of the newspapers in medium-sized cities and 23.4 percent of the newspapers in small towns. Table 26 summarizes these results.

Another crosstabulation, also significant, but at the .10 level (chi-square significance = .0805), compared the two variables, this time with populations split at the quartiles. Half of the newspapers in cities ranging in size from 2301 to 5033 (the 3rd quartile) experienced employment

Table 27. Community Size (Quartiles) and Change in Employment at Iowa Newspapers from June 1, 1980 to June 1, 1988

POPULATION	CHANGE IN EMPLOYMENT			TOTAL
	Declined	Constant	Increased	
1,238 or Less	7	14	13	34
(1st Qt1)	20.6 ^a	41.2	38.2	16.8
	17.5 ^b	37.8	26.0	
1,239-2,300	8	13	15	36
(2nd Qt1)	22.2	36.1	41.7	28.3
	20.0	35.1	30.0	
2,301-5,033	14	5	9	28
(3rd Qt1)	50.0	17.9	32.1	22.0
	35.0	13.5	18.0	
More than 5,033	11	5	13	29
(4th Qt1)	37.9	17.2	44.8	22.8
	27.5	13.5	26.0	
	<u>40</u>	<u>37</u>	<u>50</u>	<u>127</u>
	31.5	29.1	39.4	
Chi-square = 11.26681	Significance = .0805			

a

Row percent.

b

Column percent.

cutbacks--more than the newspapers in any other quartile.

These results also showed that newspapers in the largest cities (more than 5033 population) were most likely to have added employees. In all, 44.8 percent of the newspapers in these largest cities added to their workforce. At the same

time, 38.2 percent of the newspapers in the smallest towns (population of 1238 or less) added employees, as did 41.7 percent of the newspapers in cities from 1239 to 2300 population, and 32.1 percent of the newspapers in cities of 2301 to 5033 population. This closer examination lends some support to Hypothesis 15-a, in that the cities in the third quartile could be regarded as "medium-sized." Table 27 presents these results.

H16: A majority of managers of Iowa newspapers do not receive regular and timely (monthly) financial records (balance sheet, income statement, cashflow analysis, formal sales forecast).

The survey data provide partial support for this hypothesis. Table 28 reports response frequencies for the various record-keeping activities included in the hypothesis. It shows the following:

--Contrary to Hypothesis 16, the majority (65.4 percent) of Iowa newspaper managers receive a monthly balance sheet. However, 21.2 percent of the managers receive a balance sheet only once a year or less often.

--Contrary to Hypothesis 16, the majority (70.3 percent) of Iowa newspaper managers receive a monthly income statement. On the other hand, 18.7 percent of the managers receive an income statement only once a year or less often.

--Contrary to Hypothesis 16, the majority (53.6 percent) of Iowa newspaper managers receive a monthly

Table 28. Record-Keeping Activities of Iowa Newspaper Managers

TYPE OF RECORD	HOW OFTEN RECORDS RECEIVED	FREQUENCY	PERCENT
BALANCE SHEET			
	Never	6	3.8
	Occasionally	11	7.1
	Annually	16	10.3
	Semi-Annually	5	3.2
	Quarterly	13	8.3
	Monthly	102	65.4
	Other Set Interval	3	1.9
INCOME STATEMENT			
	Never	3	1.9
	Occasionally	7	4.5
	Annually	19	12.3
	Semi-Annually	1	.6
	Quarterly	13	27.7
	Monthly	109	70.3
	Other Set Interval	3	1.9
CASHFLOW ANALYSIS			
	Never	23	15.0
	Occasionally	10	6.5
	Annually	12	7.8
	Semi-Annually	7	4.6
	Quarterly	15	9.8
	Monthly	82	53.6
	Other Set Interval	4	2.6
FORMAL 1-MONTH SALES FORECAST			
	Never	101	65.6
	Occasionally	16	10.4
	Annually	7	4.5
	Semi-Annually	3	1.9
	Quarterly	1	.6
	Monthly	24	15.6
	Other Set Interval	2	1.3

cashflow analysis. However, 29.4 percent receive a cashflow analysis only once a year or less often.

--As predicted by Hypothesis 16, a majority of Iowa newspaper managers do not receive a formal one-month sales forecast on a monthly basis. In fact, a majority of the managers report never receiving a one-month sales forecast.

H17: The majority of Iowa newspaper managers do not have a written long range business plan.

Hypothesis 17 is supported by the survey data. Of 156 who answered survey question 33, a total of 134 respondents (85.9 percent) said they did not have a written long range plan. Only 22 (14.1 percent) reported having such a document. Table 29 Summarizes these data.

Table 29. Iowa Newspapers and Formal Long Range Planning

RESPONSE:	DOES THIS NEWSPAPER HAVE A <u>FORMAL</u> LONG RANGE PLAN?	
	Frequency	Percent
No	134	85.9
Yes	22	14.1
	n = 156	

H18: The majority of Iowa newspaper managers do not have an informal (unwritten) long range plan.

The survey data support Hypothesis 18. Eighty of 150 who answered this question (53.3 percent) reported having no informal long range plan. Table 30 presents these results:

Table 30. Iowa Newspapers and Informal Long Range Planning

RESPONSE:	DOES THIS NEWSPAPER HAVE AN <u>I</u> NFORMAL LONG RANGE PLAN?	
	Frequency	Percent
NO	80	53.3
YES	70	46.7
	n = <u>150</u>	

H19: The majority of Iowa newspaper managers rarely spend time engaged in long range planning.

Hypothesis 19 did not receive support from the survey data. Rather, a plurality (32.1 percent) reported rarely spending time in long range planning, and another 10.9 percent said they never engaged in long range planning. Frequency distributions are reported in Table 31.

Table 31. Long Range Planning Activities Reported by Iowa Newspaper Managers

HOW OFTEN RESPONDENT DOES LONG RANGE PLANNING	FREQUENCY	PERCENT
Never	17	10.6
Rarely	50	32.1
Sometimes	43	27.6
Usually	24	15.4
Always	22	13.7
n = 156		

H20: The majority of Iowa newspaper managers report usually or always spending some time doing short term planning.

Survey data support Hypothesis 20, as Table 32 shows.

Table 32. Short Term Planning Activities Reported by Iowa Newspaper Managers

HOW OFTEN RESPONDENT DOES SHORT TERM PLANNING	FREQUENCY	PERCENT
Never	3	1.9
Rarely	10	6.4
Sometimes	25	15.9
Usually	59	37.6
Always	60	37.3
n = 157		

H21: The majority of Iowa newspaper managers place greater value on short term planning than on long range planning.

Survey data provide only marginal support for Hypothesis 21.

Frequency distributions offer one means of considering this question. Those show that 117 of 156 respondents (75.0 percent) say short term planning is either "quite valuable" or "very valuable." By comparison, 61 of 156 respondents (39 percent) gave a similar response in evaluating long range planning. Table 33 shows these frequencies.

Table 33. Frequency Distributions Showing How Much Value Iowa Newspaper Managers Ascribe to Planning

TYPE OF PLANNING/ VALUE	FREQUENCY	PERCENT	CUMULATIVE PERCENT
SHORT-TERM PLANNING			
Does Not Apply	8	5.1	5.1
Not Much Value	4	2.6	7.7
Some Value	27	17.3	25.0
Quite Valuable	59	37.8	62.8
Very Valuable	58	37.2	100.0
n = 156			
LONG RANGE PLANNING			
Does Not Apply	18	11.5	11.5
No Value	11	7.1	18.6
Not Much Value	21	13.5	32.1
Some Value	45	28.8	60.9
Quite Valuable	27	17.3	78.2
Very Valuable	34	21.8	100.0
n = 156			

Crosstabulations were run to determine more precisely the relationship between how respondents said they valued short and long range planning. Analysis of this highly significant association (a .0000 chi-square significance value was reported), showed that a plurality of respondents

Table 34. How Iowa Newspaper Managers Say They Value Short Term Planning Compared with Long Range Planning

REPORTED VALUE OF SHORT TERM PLANNING	REPORTED VALUE OF LONG RANGE PLANNING					TOTAL
	No Value	Not Much Value	Some Value	Quite Valu- able	Very Valu- able	
Not Much	0	1	3	0	0	4
	a					
Value	0.0	25.0	75.0	0.0	0.0	2.9
	b					
	0.0	4.8	6.8	0.0	0.0	
Some	7	1	12	4	0	24
Value	29.2	4.2	50.0	16.7	0.0	17.6
	63.6	4.8	27.3	14.8	0.0	
Quite	3	16	16	14	4	53
Valuable	5.7	30.2	30.2	26.4	7.5	39.0
	27.3	76.2	36.4	51.9	12.1	
Very	1	3	13	9	29	55
Valuable	1.8	5.5	23.6	16.4	52.7	40.4
	9.1	14.3	29.5	33.3	87.9	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	11	21	44	27	33	136
	8.1	15.4	32.4	19.9	24.3	

Chi-square = 69.38871 Significance = .0000

a

Row percent.

b

Column percent.

(29 managers) regarded both short term and long range planning as very valuable. The crosstab table showed that of 136 who responded to both questions, 69 (a scant majority of 50.7 percent) placed greater value on short range planning over long range planning. These results are shown in Table 34.

H22: The majority of Iowa newspapers will not prepare written sales forecasts.

The survey data provided strong support for Hypothesis 22. Of 154 respondents reporting their use of formal one-month sales forecasts, 101 (65.6 percent) said they never received a written forecast. For 6-12 month sales forecasts, 104 of 153 respondents (68.0 percent) replied that they never used a written forecast. See Table 28.

H23: The majority of Iowa newspapers will forecast sales informally for at least one month ahead.

Hypothesis 23 did not receive support from the survey data. Though it was not surprising to learn that few newspaper managers consulted formal sales forecasts, the fact that a majority of Iowa newspaper managers never prepare an informal one-month sales forecast was entirely unexpected. In all, 84 of 152 (55.3 percent) who answered this question said they never prepared an informal one-month sales forecast, while only 30 respondents (19.7 percent) did so monthly. Another 26 managers (17.1 percent) occasionally

Table 35. Use of Informal One-Month Sales Forecasts
by Iowa Newspaper Managers

RESPONSE	HOW OFTEN ARE <u>INFORMAL</u> ONE-MONTH FORECASTS MADE?		
	Frequency	Percent	Cumulative Percent
Never	84	55.3	55.3
Occasionally	26	17.1	72.4
Annually	3	2.0	74.3
Semi-Annually	2	1.3	75.7
Quarterly	3	2.0	77.6
Monthly	30	19.7	97.4
Other Set Interval	4	2.6	100.0

n = 152

prepared an informal one-month sales forecast. These findings are presented in Table 35. A possible explanation for these findings is that those who do formal forecasting comprised a large number who said they never made informal forecasts. The same might be true of those who regularly do informal forecasting, i.e., that they never receive a formal sales forecast. This possibility was investigated by crosstabulating responses about formal and informal forecasting. A highly significant chi-square value of .0000 was reported, and results showed that 93 of the 146 respondents to both survey items (63.7 percent) never or only occasionally engaged in either formal or informal one-month sales forecasting. Twenty-two respondents (15 percent) engaged in one mode of forecasting on a monthly

basis and answered "never" or "occasionally" to the other.

Table 36 shows these comparisons.

Table 36. Crosstabulation of Responses Concerning Use of Formal and Informal One-Month Sales Forecasts by Iowa Newspaper Managers

USE OF FORMAL ONE-MONTH FORECASTS	USE OF <u>INFORMAL</u> ONE-MONTH FORECASTS					TOTAL
	Never or Occasionally	Once -a- Year	Twice -a- Year	Four Times /Year	Once -a- Month	
Never or Occasionally	93 a 80.2	0	1	3	19	116
	b 84.5	0.0	50.0	100.0	65.5	79.5
Once-a-Year	6 85.7	1 14.3	0 0.0	0 0.0	0 0.0	7 4.8
	5.5	50.0	0.0	0.0	0.0	
Twice-a-Year	0 0.0	0 0.0	1 33.3	0 0.0	2 66.7	3 2.1
	0.0	0.0	50.0	0.0	6.9	
Four Times a Year	0 0.0	1 100.0	0 0.0	0 0.0	0 0.0	1 0.7
	0.0	50.0	0.0	0.0	0.0	
Monthly	11 57.9	0 0.0	0 0.0	0 0.0	8 42.1	19 13.0
	10.0	0.0	0.0	0.0	27.6	
	<u>110</u> 75.3	<u>2</u> 1.4	<u>2</u> 1.4	<u>3</u> 2.1	<u>29</u> 19.9	<u>146</u>

Chi-square = 119.74615

Significance = .0000

a

Row percent.

b

Column percent.

H24: Performance of Iowa newspapers that engage in formal long range planning will not differ significantly from the performance of newspapers that are not planners.

Three variables were tested as indicators of newspaper performance: sales growth from 1981 to 1987, circulation growth over the period, and increased employment from 1980 to 1988. These were individually crosstabulated with responses to the question of whether the newspaper managers engaged in long range planning.

None of the three crosstabulations produced statistically significant associations. Chi square significance values for the tests were .6812 for sales growth and long range planning, .2950 for circulation growth and long range planning, and .3438 for employment growth and long range planning. These findings are reported in Tables 37-39. Within the crosstabulation tables could be found some of the contradictory indications that other researchers have encountered in trying to determine whether a link exists between planning and performance. The table dealing with growth in employment offered some indication that newspapers managed by individuals who plan are more likely to see an employment increase than are non-planners. On the other hand, there's an indication that planners are just as likely as non-planners to have to cut employee numbers. Losers in overall sales (when inflation is factored in) were nearly as likely to be planners as non-planners. Two-thirds of the

non-planners had sales losses and 64.3 percent of the planners met the same misfortune. And finally, the crosstabulation with circulation offered some indication that planners were more likely to experience circulation

Table 37. Performance of Iowa Newspapers as Measured by Overall Sales Growth (1981-1987) and the Use or Nonuse of Long Range Planning

LONG RANGE PLANNING	SALES INDEX FOR 1987 (REFLECTING PERCENTAGE OF CHANGE FROM 1981 VOLUME)*			
	Sales Loss	Steady	Sales Gain	TOTAL
NON-PLANNERS	38	10	9	57
	^a 66.7	17.5	15.8	44.9
	^b 45.8	50.0	37.5	
PLANNERS	45	10	15	70
	64.3	14.3	21.4	55.1
	54.2	50.0	62.5	
	<hr/> 83	<hr/> 20	<hr/> 24	<hr/> 127
	65.4	15.7	18.9	

Chi-square = .76770

Significance = .6812

a

Row percent.

b

Column percent.

*(Constant Dollars).

losses than were non-planners. Half of the planners reported a decline in circulation, compared to 43.9 percent of the non-planners. And while 40.4 percent of the non-planners reported increases in circulation, only 27.8 percent of the

Table 38. Performance of Iowa Newspapers as Measured by Circulation Growth (1981-1987) and the Use or Nonuse of Long Range Planning

LONG RANGE PLANNING	CIRCULATION INDEX FOR 1987 (REFLECTING PERCENTAGE OF CHANGE FROM 1981)			TOTAL
	Loss	Unchanged	Gain	
Non-planners	25	9	23	57
	^a 43.9	15.8	40.4	44.2
	^b 41.0	36.0	53.5	
Planners	36	16	20	72
	50.0	22.2	27.8	55.8
	59.0	64.0	46.5	
	61	25	43	129
	47.3	19.4	33.3	
Chi-square = 2.44174		Significance = .2950		

a
Row percent.

b
Column percent.

planners could say as much. The question that other researchers have posed is raised here, as well: Is it possible that planning impedes performance in terms of circulation growth, or is it that declining circulations cause managers to engage in more long range planning? Further study is needed to answer this question.

Table 39. Performance of Iowa Newspapers as Measured by Employment Growth (1981-1987) and the Use or Nonuse of Long Range Planning

LONG RANGE PLANNING	EMPLOYMENT IN 1987 COMPARED TO 1981			TOTAL
	Declined	Constant	Increased	
Non-planners	18	20	19	57
	a 31.6	35.1	33.3	46.0
	b 45.0	55.6	39.6	
Planners	22	16	29	67
	32.8	23.9	43.3	54.0
	55.0	44.4	60.4	
	40	36	48	124
	32.3	29.0	38.7	

Chi-square = 2.13521

Significance = .3438

a

Row percent.

b

Column percent.

CHAPTER V: DISCUSSION

Decade of Turbulence

Social and economic upheaval have characterized the changing face of Iowa and all of rural America in the 1980s. The state's newspaper managers perceive uncertainty in their environment, and they see the greatest amount of uncertainty resulting from recent troubled economic conditions in the communities they serve. Community newspapers live and die by what happens on main street, as INA director Bill Monroe says. Thus local economic uncertainty, together with the unpredictability of the state and national economy, regulations and constraints imposed by government, changing technology, behavior of customers, competitors and employees, and (to a lesser extent) relationships with suppliers and jobbers, all add to the complexity and confusion of the newspaper manager's job.

These uncertainties have laid siege to an industry more accustomed to long-term stability, as evidenced by respondents' long tenure in their newspapers (11 years) and in their present management position (10 years), and by the myth perpetuated within the industry that newspapers are a recession-proof enterprise.

Strengths of the Iowa Newspaper Industry

Iowa newspaper managers and their newspaper businesses show some amazing resilience in all of this. Though

managers generally acknowledge the economic stress of the 1980s by rating both their state and local economy as "fair," respondents report their newspapers are in "fair" to "good" economic shape and they believe the next five years offers promise of better times for Iowa, for their communities and for the newspapers they manage. This optimism comes in spite of the fact that neither their overall sales nor their advertising sales have kept pace with even the modest rate of inflation in the mid- and late-1980s. Rock steady paid circulation reported by respondents is a testimony to the worth of their newspapers to subscribers and confounds the reasoned prediction that circulation would decline during a period when the state has been losing population. There is a less optimistic interpretation of this unchanging circulation figure, however. While steady circulation figures are a positive finding, the lack of circulation growth hints that newspapers are serving a graying audience. And if community newspapers draw their greatest number of subscribers from residents who are most deeply rooted in the community, i.e., from those who did not migrate to other states to seek employment, perhaps they have been missing opportunities to serve other younger but more transient population segments. Whether this notion has any factual foundation merits further study, in as much as the demographics of the

newspaper audience have much to do with how well newspapers meet the needs of their total market today, and how they position themselves for future survival.

Not only have Iowa newspapers bucked the odds on circulation, but on employment, too. Survey data indicate that the median number of newspaper employees in Iowa increased from 6.0 to 6.5 (8.3 percent) between June 1, 1980 and June 1, 1988.

Weeklies vs. Non-weeklies

Survey data show that views held by managers of weekly newspapers are indistinguishable from those held by managers of more frequent publications concerning environmental uncertainty in general or in terms of the local economy. Nor do weekly and non-weekly managers hold significantly differing views concerning current state economic conditions or the five-year outlook for the local economy. Where executives of weeklies and non-weeklies differ on generally held opinions about these research questions is in a tendency of weeklies to rate their present newspaper performance as "fair," while managers of more frequent publications tend to rate their newspaper's current condition as "good."

Large Circulation vs. Small Circulation

Negative attitudes and outlooks do not characterize one circulation group over another, except in two crucial areas.

One of those areas is how managers of the smallest newspapers view the future of their newspaper enterprises. A highly significant association was found between size of circulation and the manager's five-year outlook for the newspaper. Managers of the smallest circulation newspapers are more pessimistic about what the early 1990s will bring for their businesses. And, in a finding that had limited support, evidence was also found to suggest that managers of smaller papers are more pessimistic than managers of larger newspapers about their local community's economic prospects for the next five years.

Still, there seems to be very little evidence to suggest that smallest circulation newspapers have experienced the most negative advertising and overall sales trends. Nor did managers of small papers perceive any more general environmental uncertainty than did others. The data hint, in fact, that managers in the smallest circulation group may perceive the least environmental uncertainty. There was no significant difference among various circulation groups in terms of opinions about present state or local economic conditions, or about the current condition of their newspapers. Managers of newspapers with the smallest circulations didn't differ from other respondents in their degree of optimism or pessimism about the state or national economy. And finally, smaller circulation

newspapers did not report greater circulation losses than their larger counterparts.

In short, what has affected small newspapers has affected the big ones and managers of both groups meet the same worries with a similar range of attitudes, though the managers of smaller papers worry most about the future of their towns and their newspapers. Regardless of circulation size, 85 percent of the newspaper managers said they believe they have something to feel fortunate about, in that 85 percent said they think their newspaper is doing at least as well as, or better than other newspapers of similar size.

Perceived Opportunity for Success
in Community Journalism Today

Question 42 of the survey asked that if managers were just starting out in the community newspaper business in Iowa, would the opportunity to succeed be greater than, less than, or about the same as they experienced when they began their careers. Perhaps this question most revealed the toll the economic stress of the 1980s has taken on community journalists. Eighty-one of 140 respondents (57.9 percent) said there was less opportunity today. Of those, 27 (or 19.3 percent) said the opportunity today was much less than when they got into the business. On the other side of the ledger, only 9 respondents (6.4 percent) said there was more opportunity today, and of those, 5 (3.1 percent) said the

present offers "much greater" opportunity. Table 40 shows these results.

Table 40. Iowa Newspaper Managers' Perceptions Of the Opportunity for Beginning Professionals to Succeed in Community Journalism Today Compared to the Opportunity to Succeed When the Respondents Began Their Careers

RELATIVE OPPORTUNITY TO SUCCEED TODAY	FREQUENCY	PERCENT	CUMULATIVE PERCENT
Much Less Now	27	19.3	19.3
Slightly Less Now	54	38.6	57.9
About the Same Now	41	29.3	87.1
Slightly Greater Now	13	9.3	96.4
Much Greater Now	5	3.6	100.0

Crosstabulations were run to determine whether a positive or negative response was associated with the respondent's age, or gender, or with the publishing frequency or circulation size of the newspaper. None of the chi-square values were significant. These are shown in Table 41.

Table 41. Chi-square Significance Values for
Nonsignificant Associations Between Four
Independent Variables and Iowa Newspaper
Managers' Views About the Relative Opportunity
In Community Journalism Today

INDEPENDENT VARIABLE	CHI-SQUARE SIGNIFICANCE VALUE
Age	.2844
Gender	.5545
Publishing Frequency	.8168
Paid Circulation	.2147

Attitudes About the Newspaper's Future

While the methodology presented here has not attempted to replicate that of the study by Burgoon, et al.,¹⁷⁶ which described journalists' attitudes toward the future, these data provided a glimpse at the attitudes Iowa newspaper managers held about the future in the summer of 1988. Among the factors that were significantly associated with a pessimistic attitude in their national sample were age of the respondent and the circulation size of the respondent's newspaper, two variables that were examined in this research. Gender was also significantly associated

176

Burgoon, Bernstein, Burgoon and Atkin, 21-24.

with attitude types in the Burgoon study. The fact that neither age nor circulation nor gender was significantly associated with attitude in the research presented here suggests that influences have shaped the attitudes Iowa newspaper managers have concerning their newspapers other than those that Burgoon et al. found to be relevant in the national sample. This might be evidence that Iowa's economic woes--the ag crisis and the accompanying recession--have helped shape attitudes in ways that journalists elsewhere in the nation may not have experienced.

The author attempted a further investigation of factors that might be significantly associated with the way Iowans perceive the future of their newspapers by crosstabulating a series of possible influences and the managers' perceptions of the five-year outlook for their newspapers. This investigation of 20 possible influences produced only two factors significantly associated with attitude. The significant factors were the 1987 indexes marking circulation and sales trends over the last six years. This is a logical finding, in that it says newspaper managers are likely to base their predictions for the newspaper's future on its performance in recent years. Results of this analysis are presented in Tables 42 and 43.

Table 42. Iowa Newspaper Sales Trends and How Managers Perceive the Newspaper's 5-Year Outlook

SALES TREND 1981-1987	5-YEAR OUTLOOK FOR THIS NEWSPAPER			TOTAL
	Pessimistic	Neither	Optimistic	
Poorest Sales	4	16	20	40
(Index of 100	10.0 ^a	40.0	50.0	30.3
or Less--1Qt1)	26.7 ^b	43.2	25.0	
Fair Sales	7	5	18	30
(Index of 101	23.3	16.7	60.0	22.7
to 110--2Qt1)	46.7	13.5	22.5	
Good Sales	2	11	20	33
(Index of 111	6.1	33.3	60.6	25.0
to 125--3Qt1)	13.3	29.7	25.0	
Best Sales	2	5	22	29
(Index above	3.3	8.1	17.6	22.0
125--4Qt1)	13.3	13.5	27.5	
	15	37	80	132
	11.4	28.0	60.6	
Chi-square = 11.99370	Significance = .0621			

a
Row percent.

b
Column percent.

Table 43. Circulation Trends and How Iowa Newspaper Managers Perceive The Newspaper's 5-Year Outlook

CIRCULATION TREND 1981-87	5-YEAR OUTLOOK FOR THIS NEWSPAPER			TOTAL
	Pessimistic	Neither	Optimistic	
Worst Decline	8	7	23	38
(Index of 91.3	21.1 ^a	18.4	60.5	28.4
or Below--1Qt1)	53.3 ^b	18.4	28.4	
Not Growing	2	18	29	49
(Index of 91.4	4.1	36.7	59.2	36.6
to 100--2Qt1)	13.3	47.4	35.8	
Modest Growth	0	4	11	15
(Index of 100.1	0.0	26.7	73.3	11.2
to 106.8--3Qt1)	0.0	10.5	13.6	
Best Growth	5	9	18	32
(Index above	15.6	28.1	56.3	23.9
106.8--4Qt1)	33.3	23.7	22.2	
	15	38	81	134
	11.2	28.4	60.4	

Chi-square = 10.82367

Significance = .0940

a

Row percent.

b

Column percent.

Not significantly associated with attitudes was the amount of time managers spent in planning (short-term, intermediate or long range), the value they placed on any of the three forms of planning, whether or not they have either a formal or an informal long range plan, the type of business records they regularly receive, the tenure of managers in their present positions, and at their present newspapers, the number of years of experience they have in the newspaper industry, and the number of years they've lived in Iowa. Chi-square significance values for these analyses are presented in Table 44.

While attitudes of Iowa newspaper managers about the future of their newspapers were not significantly associated with planning, record-keeping, tenure or experience, the author tested the possibility that record-keeping and planning might be positively associated with respondents' perceptions of their newspaper's performance in 1988 compared to 1987. Evidence of a positive association would suggest that record-keeping and planning activities produced tangible benefits to managers coping with the negative economic conditions of this decade. This investigation found significant, positive associations between perceived business improvement from 1987 to 1988 and time spent in intermediate planning, the manager's perception of the value of intermediate planning, and the use of informal long range

Table 44. Chi-square Significance Values of Variables Tested But Not Significantly Associated With Attitudes of Iowa Newspaper Managers

INDEPENDENT VARIABLE	CHI-SQUARE SIGNIFICANCE VALUE
Time Spent in Short-Term Planning	.9384
Time Spent in Intermediate-Term Planning	.7158
Time Spent in Long Range Planning	.6385
Value Placed on Short-Term Planning	.8905
Value Placed on Intermediate Planning	.2526
Value Placed on Long Range Planning	.1787
Whether Paper Has a Formal Long Range Plan	.5475
Whether Paper Has an Informal Long Range Plan	.2983
Whether Paper Prepares a Balance Sheet	.2357
Whether Paper Prepares an Income Statement	.3124
Whether Paper Prepares a Cashflow Analysis	.2565
Whether Paper Prepares a Formal Annual Budget	.7918
Whether Paper Makes Formal 1-Month Forecasts	.5372
Whether Paper Makes Informal 1-Month Forecasts	.8410
Whether Paper Makes Formal 6-12 Month Forecasts	.9609
Whether Paper Makes Informal 6-12 Month Forecasts	.5662
Manager's Tenure in Present Position	.1201
Manager's Tenure in Present Newspaper	.2802
Manager's Years of Newspaper Industry Experience	.3623
Manager's Years as Resident of Iowa	.1554

planning, informal 6-12 month sales forecasts and cash flow analyses by the newspaper managers. This was merely a preliminary and tentative investigation into these possible relationships, however, and because the chi-square test revealed that 40 percent or more of the cells had frequencies below 5 in each of the crosstabulations, further study is needed to better understand the associations between these variables. Tables 45 through 49 show these results.

Table 45. Preparation of an Informal Long Range Plan by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987

DOES THIS PAPER PREPARE AN INFORMAL LONG RANGE PLAN?	NEWSPAPER'S PERFORMANCE IN 1988 vs. 1987				
	Much Worse	A Little Worse	About the Same	A Little Better	Much Better
No	2	20	22	35	1
	^a 2.5	25.0	27.5	43.8	1.3
	^b 100.0	66.7	53.7	50.7	14.3
Yes	0	10	19	34	6
	0.0	14.5	27.5	49.3	8.7
	0.0	33.3	46.3	49.3	85.7
	<hr/> 2	<hr/> 30	<hr/> 41	<hr/> 69	<hr/> 7
	1.3	20.1	27.5	46.3	4.7
Chi-square = 8.37232		Significance = .0789			

a

Row percent.

b

Column percent.

Table 46. Time Spent in Intermediate-Term Planning by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987

TIME SPENT IN INTERMEDIATE PLANNING	NEWSPAPER'S PERFORMANCE IN 1988 vs. 1987				
	Much Worse	A Little Worse	About the Same	A Little Better	Much Better
Never	0	2	1	1	0
	^a 0.0	50.0	25.0	25.0	0.0
	^b 0.0	6.3	2.4	1.4	0.0
Rarely	2	6	8	4	0
	10.0	30.0	40.0	20.0	0.0
	66.7	18.8	19.0	5.6	0.0
Sometimes	0	9	15	22	2
	0.0	18.8	31.3	45.8	4.2
	0.0	28.1	35.7	31.0	28.6
Usually	1	12	11	29	5
	1.7	20.7	19.0	50.0	8.6
	33.3	37.5	26.2	40.8	71.4
Always	0	3	7	15	0
	0.0	12.0	28.0	60.0	0.0
	0.0	9.4	16.7	21.1	0.0
	3	32	42	71	7
	1.9	20.6	27.1	45.8	4.5

Chi-square = 23.69131

Significance = .0965

a

Row percent.

b

Column percent.

Table 47. Perceived Value of Intermediate-Term Planning
by Iowa Newspaper Managers and Their
Evaluation of Their Newspaper's Performance in
1988 vs. 1987

PERCEIVED VALUE: INTERMEDIATE PLANNING	NEWSPAPER'S PERFORMANCE IN 1988 vs. 1987				
	Much Worse	A Little Worse	About the Same	A Little Better	Much Better
Does Not Apply	0	2	3	2	0
	^a 0.0	28.6	42.9	28.6	0.0
	^b 0.0	6.3	7.1	1.4	0.0
No Value	0	1	1	0	0
	0.0	50.0	50.0	0.0	0.0
	0.0	3.1	2.4	0.0	0.0
Not Much Value	1	5	3	1	0
	10.0	50.0	30.0	10.0	0.0
	33.3	15.6	7.1	1.4	0.0
Some Value	1	13	13	12	1
	2.5	32.5	32.5	30.0	2.5
	33.3	40.6	31.0	16.9	14.3
Quite Valuable	0	5	16	35	4
	0.0	8.3	26.7	58.3	6.7
	0.0	15.6	38.1	49.3	57.1
Very Valuable	1	6	6	21	2
	2.8	16.7	16.7	58.3	5.6
	33.3	18.8	14.3	29.6	28.6
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3	32	42	71	7
	1.9	20.6	27.1	45.8	4.5
Chi-square = 32.01794	Significance = .0431				

a

Row percent.

b

Column percent.

Table 48. Preparation of Informal 6-12 Month Forecast by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987

USE OF AN INFORMAL 6-12 MONTH FORECAST	NEWSPAPER'S PERFORMANCE IN 1988 vs. 1987				
	Much Worse	A Little Worse	About the Same	A Little Better	Much Better
Never	2	20	20	44	3
	^a 2.2	22.5	22.5	49.4	3.4
	^b 66.7	66.7	47.6	64.7	42.9
Occasionally	0	2	10	8	0
	0.0	10.0	50.0	40.0	0.0
	0.0	6.7	23.8	11.8	0.0
Annually	1	4	2	4	1
	8.3	33.3	16.7	33.3	8.3
	33.3	13.3	4.8	5.9	14.3
Semi-Annually	0	0	7	9	0
	0.0	0.0	43.8	56.3	0.0
	0.0	0.0	16.7	13.2	0.0
Quarterly	0	1	0	0	0
	0.0	100.0	0.0	0.0	0.0
	0.0	3.3	0.0	0.0	0.0
Monthly	0	2	2	2	3
	0.0	22.2	22.2	22.2	33.3
	0.0	6.7	4.8	2.9	42.9
Other Set Interval	0	1	1	1	0
	0.0	33.3	33.3	33.3	0.0
	0.0	3.3	2.4	1.5	0.0
	<hr/> 3	<hr/> 30	<hr/> 42	<hr/> 68	<hr/> 7
	2.0	20.0	28.0	45.3	4.7

Chi-square = 40.50391 Significance = .0189

a

Row percent.

b

Column percent.

Table 49. Use of Cashflow Analysis by Iowa Newspaper Managers and Their Evaluation of Their Newspaper's Performance in 1988 vs. 1987

USE OF CASHFLOW ANALYSIS IN THIS PAPER	NEWSPAPER'S PERFORMANCE IN 1988 vs. 1987				
	Much Worse	A Little Worse	About the Same	A Little Better	Much Better
Never	0	7	4	10	1
	^a 0.0	31.8	18.2	45.5	4.5
	^b 0.0	24.1	9.5	14.1	14.3
Occasionally	1	2	3	4	0
	10.0	20.0	30.0	40.0	0.0
	33.3	6.9	7.1	5.6	0.0
Annually	0	1	1	10	0
	0.0	8.3	8.3	83.3	0.0
	0.0	3.4	2.4	14.1	0.0
Semi-Annually	0	1	6	0	0
	0.0	14.3	85.7	0.0	0.0
	0.0	3.4	14.3	0.0	0.0
Quarterly	1	1	7	6	0
	6.7	6.7	46.7	40.0	0.0
	33.3	3.4	16.7	8.5	0.0
Monthly	1	16	19	40	6
	1.2	19.5	23.2	48.8	7.3
	33.3	55.2	45.2	56.3	85.7
Other Set Interval	0	1	2	1	0
	0.0	25.0	50.0	25.0	0.0
	0.0	3.4	4.8	1.4	0.0
	3	29	42	71	7
	2.0	19.1	27.6	46.7	4.6

Chi-square = 35.18121 Significance = .0658

a

Row percent.

b

Column percent.

The nature of these significant associations suggest that newspaper managers benefit most tangibly from planning informally for relatively short time spans (more than a week but perhaps not more than 3 months). These data also suggest that both cashflow analysis and informal sales forecasts covering the next 6 to 12 months also offer tangible benefit to newspaper managers. The benefit is the association of these practices with the newspaper's improved economic condition from 1987 to 1988. It should be pointed out that at least two interpretations of these findings are possible. One is that informal intermediate-term (operational) planning and forecasting, along with careful monitoring of cashflow helps newspapers' performance to improve. Another interpretation, however, would be that managers of newspapers which experience economic improvement have more time to do planning, forecasting and pay closer attention to financial records of the business. In either case, the research presented here seems to offer evidence of a planning-performance link. Because such linkages have been illusive, because research findings have often been contradictory concerning the relationship between planning and performance, and because virtually no other research has focused on community newspapers or other media in attempting to address these issues, this evidence merits further investigation.

A State of Small Towns, Small Newspapers

Perhaps one reason so few apparent differences emerge between large and small, daily and weekly newspapers concerning issues studied in this research is that the distinctions between big and small are themselves less significant than face value would imply. Iowa is a state of small towns. Survey responses provide a population median of 2,300. Three-fourths of the communities represented by these survey responses have populations of 5,033 or less. Similarly, and perhaps even more surprisingly, the median circulation of newspapers responding to the survey was 2,500 subscribers. That means that a paper with a circulation of 2,500 isn't a "small" newspaper in Iowa, but rather an "average-sized" newspaper. And a weekly with just over 4,000 circulation is in the top fourth of the newspapers in the state, when ranked by size of circulation.

Record-Keeping and Planning

One other area of major concern for the health and survival of community newspapers in Iowa has been revealed by this research. It is in business planning and record-keeping that newspapers are doing, or (in many cases) not doing. While a solid majority of Iowa newspaper managers receive a monthly balance sheet and income statement, and over half also receive a cashflow analysis once a month, nearly two-thirds of the respondents never have a formal

one-month sales forecast to consult, and more than half of the managers never even develop an informal one-month sales forecast. Iowa newspapers are like other small businesses in that formal (written) long range planning is a rarity. A whopping 86 percent have no formal long range plan, even when a plan covering as short a time as a year is regarded as "long range." Moreover, more than half do no informal planning for a year or more ahead. In spite of these numbers, three-fourths of the respondents say they think long range planning is "quite valuable" or "very valuable." Thus, the findings of Pelham and Clayson,¹⁷⁷ that small business managers value planning but don't do it, seems to be the rule among Iowa's newspapers. Newspaper managers, like other managers of small businesses, are apparently too busy fighting day-to-day and deadline-to-deadline brush fires to find time for significant planning or forecasting. Not surprisingly, in light of both the planning literature and the small numbers of respondents who engage in long range planning, this research offered no clear indication of a link between planning and business performance.

One clear implication of the research presented here is

177

Pelham and Clayson, 48.

that Iowa newspaper managers need to find opportunities to develop better record-keeping and information systems. For a manager to acknowledge economic uncertainty and then neglect to carefully monitor the newspaper's performance is contradictory, at the very least. At the worst, it could be fatal to the struggling newspaper or the newspaper that seems to be coping right now but has no plan to deal with a steadily eroding local advertising base.

Iowa newspaper managers have expressed increasing interest recently about diversifying their newspaper businesses in an attempt to reckon with changing business realities and uncertainties. The Iowa Newspaper Association held two diversification seminars in 1988 for member publishers and managers. The possibilities for leading Iowa newspapers in new directions provide an appropriate and timely forum topic that should be the subject of ongoing discussion. It is evident that part of the information that needs to be shared within the context of the INA concerns the hows and the whys of planning and business record-keeping.

Conclusions

Statistical procedures used to examine these data-- frequency distributions and chi-square tests of association --suggest that managers of Iowa community newspapers reflect more similarities than differences in how they have dealt

with the turbulent 1980s. How often a newspaper is published and its circulation size are shown to have a significant impact only on how optimistic managers are about the immediate future of their newspapers and their local communities. Chi-square tests revealed no significant associations between managers' attitudes and their age, gender, industry experience, job tenure, term of residence in Iowa, planning and record-keeping habits. Chi-square tests yielded no significant associations between publishing frequency and the degree of general uncertainty a manager perceives or the degree of perceived uncertainty caused by changing local economic conditions. Similarly, chi-square measures of association were not significant when perceived uncertainty was evaluated on the basis of circulation size. Finally, chi-square values suggest that a newspaper's circulation is a poor indicator, at best, of a newspaper's overall sales trend or its advertising sales trend.

Appendix A of this thesis, which reports the t-test results for a number of variables discussed here, offers further insight into these relationships and others dealing with the attitudes of Iowa newspaper managers, their perceptions of sources of environmental uncertainty, their record-keeping habits and the sales and circulation trends of the newspapers they publish.

SOURCES CONSULTED AND CITED

- Ackelsberg, Robert, and Arlow, Peter. "Small Businesses Do Plan and It Pays Off." Long Range Planning 18, No. 5 (1985): 61-7.
- Allen, David N., and Plosila, Walter H. "Turnaround Strategies for Economic Development." Long Range Planning 21, No. 3 (June, 1988): 59-66.
- Amit, Raphael, and Livnat, Joshua. "Diversification Strategies, Business Cycles and Economic Performance." Strategic Management Journal 9, No. 2 (1988): 99-110.
- Anderson, Earl H. "Probabilistic Forecasting for New Small Business." Journal of Small Business Management 17, No. 3 (July, 1979): 8-13.
- Anthony, William P. Practical Strategic Planning: A Guide and Manual for Line Managers. Westport: Quorum Books, 1985.
- Armstrong, J. Scott. "The Value of Formal Planning for Strategic Decisions: Review of Empirical Research." Strategic Management Journal 3, No. 3 (1982): 197-211.
- Babbie, Earl. The Practice of Social Research. 4th ed. Belmont: Wadsworth Publishing Co., 1986.
- Belohlav, James A., and Gidens, Karen A. "Selecting a Master Strategy." The Journal of Business Strategy 7, No. 3 (Winter, 1987): 76-82.
- Bennett, David. "Editors as Managers: Their Perceived Need for Specialized Training." Newspaper Resource Journal 6, No. 4 (Summer, 1985): 24-36.
- Bourgeois, L. J., III. "Strategy and Environment: A Conceptual Integration." Academy of Management Review 5, No. 1 (1980): 25-39.
- Boyer, John H. "How Newspapers Can Prepare for the Future." Editor & Publisher, 119, No. 6 (8 February 1986): 48, 33.

- Bracker, Jeffrey S., and Pearson, John N. "Planning and Financial Performance of Small, Mature Firms." Strategic Management Journal 7, No. 6 (1986): 503-22.
- Burgoon, Judee K.; Bernstein, James M.; Burgoon, Michael; and Atkin, Charles K. "Journalists' Perceptions of the Future of the Newspaper Industry." Newspaper Research Journal 5, No. 3, (Spring, 1984): 13-26.
- Cartwright, T.J. "The Lost Art of Planning." Long Range Planning 20, No. 2 (April, 1987): 92-9.
- Chaganti, Rajeswararao, and Chaganti, Radharao. "A Profile of Profitable and Not-so-profitable Small Businesses." Journal of Small Business Management 21, No. 3 (July, 1983): 43-51.
- Charan, Ram; Hofer, Charles W.; and Mahon, John F. "From Entrepreneurial to Professional Management: A Set of Guidelines." Journal of Small Business Management 18, No. 1 (January, 1980): 1-10.
- Churchill, Neil C., and Lewis, Virginia L. "Lessons for Small Business from the Recession." Journal of Small Business Management 22, No. 2 (April, 1984): 5-17.
- Cramer, Julie. "The Influence of Formal Long Range Planning and Operational Planning on the Financial Performance of Small Firms in Central Iowa." Master's Thesis, Iowa State University, 1986.
- Davig, William. "Business Strategies in Smaller Manufacturing Firms." Journal of Small Business Management 24, No. 1 (January, 1986): 38-46.
- Des Moines Register. "Farm Credit System Eyes \$1.5 Billion Debt." Des Moines Register, 15 August 1986, 5S.
- Des Moines Register. "Farm Credit System Sets Record with \$2.69 Billion Loss." Des Moines Register, 19 February 1986, 1A.
- Des Moines Register. "Hawkeye Bancorporation 'Devastated' by Ag Crisis." Des Moines Register, 21 March 1986, 7S.
- Des Moines Register. "Iowa Falls Bank Is 9th '86 Failure." Des Moines Register, 1 August 1986, 1A.

- Des Moines Register. "It's Unanimous: All Signs Point toward Recovery." Des Moines Register, 29 March 1987, 1F.
- Des Moines Register. "Lone Rock Bank Fails; 6th in '86." Des Moines Register, 30 May 1986, 1A.
- Des Moines Register. "Peoples Bancshares Seeks Protection from Lawsuits." Des Moines Register, 1 October 1986, 1A.
- Des Moines Register. "Pocahontas Bank Closes; 7th This Year." Des Moines Register, 28 June 1986, 1A.
- Des Moines Register. "Pockets of Prosperity Popping Up in Iowa." Des Moines Register, 3 May 1987, 1F.
- Des Moines Register. "Study Finds Troubles Less Severe." Des Moines Register, 5 March 1987, 6S.
- Des Moines Register. "Williams Bank Newest Victim of Farm Economy." Des Moines Register, 21 March 1986, 7S.
- Des Moines Register. "Worst May Be Over for Small Businesses." Des Moines Register, 25 January 1987, 1Y.
- Des Moines Sunday Register. "Iowa Farmers Facing Worst Times Ever." Des Moines Sunday Register, 29 April 1984, 16A.
- Dess, Gregory G., and Davis, Peter S. "Porter's (1980) Generic Strategies as Determinants of Strategic Group Membership and Organizational Performance." Academy of Management Journal 27, No. 3 (1984): 467-88.
- Dess, Gregory G., and Robinson, Richard B., Jr. "Measuring Organizational Performance in the Absence of Objective Measures: the Case of the Privately-held Firm and Conglomerate Business Unit." Strategic Management Journal 5, No. 3 (1984): 265-73.
- Dibble, Donald M. Up Your Own Organization; A Handbook for the Employed, the Unemployed, and the Self-Employed on How to Start and Finance a New Business. Santa Clara: The Entrepreneur Press, 1974.

- Dillman, Don A. Mail and Telephone Surveys: The Total Design Method. New York: John Wiley & Sons, 1978.
- Dollinger, Marc J. "Environmental Contacts and Financial Performance of the Small Firm." Journal of Small Business Management 23, No. 1 (January, 1985): 24-30.
- Duncan, Robert B. "Characteristics of Organizational Environments and Perceived Environmental Uncertainty." Administrative Science Quarterly 17, No. 3 (September, 1972): 313-27.
- Editor & Publisher. "Publisher Shuts Down One of Two Weeklies; Blames Higher Postal Rates and Loss of Advertisers to Direct Mail." Editor & Publisher, 119, No. 42 (25 October 1986): p. 39.
- Editor & Publisher. "Veronis, Suhler & Associates' Communications Industry Report Reveals Profits Slow Up, But Are Still Strong." Editor & Publisher, 120, No. 1 (3 January 1987): 44, 46.
- Ellis, Jeffery R. Managing Strategy in the Real World: Conclusions and Frameworks from Field Studies of Business Practice. Lexington: D. C. Heath and Company, 1988.
- Farney, Dennis. "Losing Ground; In Iowa, the Drought Might Seal the Fate Of the Smallest Towns; With Population Declining And Farmers in Trouble, Future Looks More Urban; Sandy Mercer's Prized Horses." Wall Street Journal, 69, No. 224 (30 August 1988): 1, 12.
- Fink, Conrad C. Strategic Newspaper Management. New York: Random House, 1988.
- Fitzgerald, Mark. "Diversification Days Are Waning; Newspaper Companies May Be Expanding, But They Are Selling Off Diversified Operations in Favor of More Communication Acquisitions." Editor & Publisher, 120, No. 1 (3 January 1987): 18, 46.
- Fitzgerald, Mark. "Recession and Newspapers; Slumping Economy in Denver and throughout Texas Leads to Severe Belt-tightening at Several Daily Newspapers." Editor & Publisher, 120, No. 21: (23 May 1987): 9, 22.
- Fry, Fred L., and Stoner, Charles R. "Business Plans: Two Major Types." Journal of Small Business Management 23, No. 1 (Jan. 1985): 1-6.

- Garneau, George. "Advice to Newspapers: Charge Readers More; Advertisers' Rising Share in the Cost of Producing Newspapers May Eventually Result in Their Abandoning Newspapers for Other Media." Editor & Publisher, 119, No. 48 (29 November 1986): 9, 38.
- Garneau, George. "Newspapers and Commercial Printing; Study Shows More than Half of All U.S. Daily Newspapers and Two-thirds of all weeklies with presses do commercial printing." Editor & Publisher, 120, No. 23 (6 June 1987): p. 20.
- Garneau, George. "Rethinking Newspapers; News Execs, Concerned about Declining Household Penetration, Form a Research and Development Group Called New Directions for News." Editor & Publisher, 121, No. 50 (10 December 1988): 16-17.
- Gersh, Debra. "Building a Winning Strategy; INAME Panelists Say Breaking Down Departmental Barriers Is Crucial to Successful Marketing, But It's Easier Said Than Done." Editor & Publisher, 119, No. 36 (6 September 1986): 28-9.
- Gersh, Debra. "A Difficult Year for National Advertising; Newspaper and Agency Exec, Ad Rep Discuss Ways to Bolster Business." Editor & Publisher, 120, No. 1 (3 January 1987): 47-8.
- Gersh, Debra. "The Future of Advertising; Advertising Research Foundation's Annual Conference Explores the Direction Advertising Will Take over the Next 25 Years." Editor & Publisher, 119, No. 13 (29 March 29, 1986): 18, 22.
- Gersh, Debra. "Selling Newspaper Networks to Advertisers." Editor & Publisher, 119, No. 37 (13 September 1986): 22.
- Gersh, Debra. "'Slow, Modest' Ad Growth Predicted." Editor & Publisher, 120, No. 1 (3 January 1987): 19, 67.
- Gersh, Debra. "Some Views on Newspapers." Editor & Publisher, 119, No. 13 (29 March 1986): 20.

- Gersh, Debra. "Surviving in a Soft Economy; After Seven of Its Top 11 Ad Accounts Folded in a Market with a 14 Percent Unemployment Rate, This Small Texas Daily Still Managed to Turn a Profit." Editor & Publisher, 120, No. 50 (12 December 12 1987): 16, 17.
- Golde, Roger A. "Practical Planning for Small Business." Harvard Business Review 42, No. 5 (September/October 1984): 147-61.
- Hall, William K. "Survival Strategies in a Hostile Environment." Harvard Business Review 58, No. 5 (September/October, 1980): 75-85.
- Hax, Arnolde C. (ed.). Planning Strategies that Work. New York and Oxford: Oxford University Press, 1987.
- Hazel, A. C., and Reid, A. S. Managing the Survival of Smaller Companies. London: Business Books Limited, 1977.
- Hoy, Frank, and Vaught, Bobby C. "The Rural Entrepreneur--A Study in Frustration." Journal of Business Management 18, No. 1 (January, 1980): 19-24.
- Hoyt, Michael. "A Small-town Paper Confronts the Farm Crisis; How an Iowa Editor, Himself Hard-pressed, Tries to Strike a Balance between Hope and Despair." Columbia Journalism Review, 26, No. 3 (September/October, 1987): 33-9.
- Hurst, David K. "Why Strategic Management Is Bankrupt." Organizational Dynamics 15 (Autumn, 1986): 4-27.
- Iowa Census: Vital Statistics and Other Population Components from Iowa Counties 1980-1985. CRD250, April, 1987.
- Jackson, Kenneth M. "Local Community Orientations of Suburban Newspaper Subscribers." Newspaper Research Journal 3, No. 3 (April, 1982): 52-9.
- Judd, Richard J., and Lee, Chan H. "Financial Concerns and Business Strategies during Inflation/Recession: Perceptions by Business Owner/Managers." Journal of Small Business Management 19, No. 4 (October, 1981): 42-9.

- Kallman, Ernest A., and Shapiro, Jack H. "The Motor Freight Industry--A Case Against Planning." Long Range Planning 11, No. 1 (February, 1978): 81-6.
- Karger, Delmar W., and Malik, Zafar A. "Long Range Planning and Organizational Performance." Long Range Planning 8, No. 6 (December, 1985): 60-4.
- Kennedy, James; Loutzenhiser, Janice; and Chaney, John. "Problems of Small Business Firms: An Analysis of the SBI Consulting Program." Journal of Small Business Management 17, No. 1 (January, 1979): 7-14.
- Kilman, Scott, and Brown, Jean Marie. "Blighted Bounty; Rich Harvest Masks Long-term Erosion of Farm Economy." Wall Street Journal, 9 November 1987, p. 1 (W), 18 (W).
- Langley, Ann. "The Roles of Formal Strategic Planning." Long Range Planning 21, No. 109 (1988): 40-50.
- Management Today. "Ventures: Pitfalls and Pay-offs." Management Today August, 1986, pp. 48-51.
- Marsh, Catherine. "The Survey Method; The Contributions of Surveys to Sociological Explanation." In Contemporary Social Research Series, ed. Martin Bulmer. London: George Allen & Unwin (Publishers) Ltd., 1982.
- Mintzberg, Henry. "The Strategy Concept I: Five Ps for Strategy." California Management Review 30, No. 1 (Fall, 1987): 11-24.
- Mintzberg, Henry. "The Strategy Concept II: Another Look at Why Organizations Need Strategies." California Management Review 30, No. 1 (Fall, 1987): 25-32.
- Morris, Elinor. "Vision and Strategy: A Focus for the Future." Journal of Business Strategy 8, No. 2 (Fall, 1987): 51-7.
- Muhm, Don. "'Worst Week' Scorches State's Wounded Crops; Outlook Bleak after Heat, Drying Winds." Des Moines Register, 9 August 1988, 1.
- Mulford, Charles L.; Shrader, Charles B.; and Hansen, Hugh B. Operational and Strategic Planning in Small Business. Report submitted to North Central Regional Center for Rural Development, 1987.

- Neil, Thomas. "Distinctive Competence: A Marketing Strategy for Survival." Journal of Small Business Management 24, No. 1 (January, 1986): 16-21.
- O'Connor, Rochelle. Planning under Uncertainty: Multiple Scenarios and Contingency Planning. New York: The Conference Board, Inc., 1978.
- Ogan, Christine L. "Life at the Top for Men and Women Newspaper Managers: A Five-year Update of Their Characteristics." Newspaper Research Journal 5, No. 2 (Winter, 1984): 57-68.
- O'Neill, Hugh M., and Duker, Jacob. "Survival and Failure in Small Business." Journal of Small Business Management 24, No. 1 (January, 1986): 30-7.
- Orpen, Christopher. "The Effects of Long-range Planning on Small Business Performance: A Further Examination." Journal of Small Business Management 23, No. 1 (January, 1985): 16-23.
- Pearce, John A., II; Robbins, D. Keith; and Robinson, Richard B., Jr. "The Impact of Grand Strategy and Planning Formality on Financial Performance." Strategic Management Journal 18, No. 2 (1987): 125-34.
- Pelham, Alfred M., and Clayson, Dennis E. "Receptivity to Strategic Planning Tools in Small Manufacturing Firms." Journal of Small Business Management 26, No. 1 (January, 1988): 43-50.
- Peters, Tom. Thriving on Chaos; Handbook for a Management Revolution. New York: Harper & Row, 1988.
- Powell, James, and Bimmerle, Charles F. "A Model of Entrepreneurship: Moving Toward Precision and Complexity." Journal of Small Business Management 18, No. 1 (January, 1980): 33-6.
- Reed, Richard, and Buckley, M. Ronald. "Strategy in Action-- Techniques for Implementing Strategy." Long Range Planning, 21, No. 109 (June, 1988): 67-74.
- Rhyne, Lawrence C. "The Relationship of Strategic Planning to Financial Performance." Strategic Management Journal 7, No. 5 (1986): 423-36.

- Roberts, Edward B., and Berry, Charles A. "Entering New Businesses: Selecting Strategies for Success." In Planning Strategies that Work, ed. Arnoldo C. Hax, 91-111. New York and Oxford: Oxford University Press, 1987.
- Robinson, Richard B., Jr. "Forecasting and Small Business: A Study the Strategic Planning Process." Journal of Small Business Management 17, No. 3 (July, 1979): 19-27.
- Robinson, Richard B., Jr. "The Importance of 'Outsiders' in Small Firm Strategic Planning." Academy of Management Journal 25, No. 1 (1982): 80-93.
- Robinson, Richard B., Jr. "Measures of Small Firm Effectiveness for Strategic Planning Research." Journal of Small Business Management 21, No. 2 (April, 1983): 22-9.
- Robinson, Richard B., Jr., and Littlejohn, William F. "Important Contingencies in Small Firm Planning." Journal of Small Business Management 19, No. 3 (July, 1981): 45-8.
- Robinson, Richard B., Jr., and Pearce, John A., II. "Research Thrusts in Small Firm Strategic Planning." Academy of Management Review 9, No. 1 (1984): 128-37.
- Robinson, Richard B., Jr.; Pearce, John A. II; Vozikis, George S.; and Mescon, Timothy S. "The Relationship Between Stage of Development and Small Firm Planning and Performance." Journal of Small Business Management 22, No. 2 (April, 1984): 45-52.
- Santiago, Frank. "Bankruptcy in Iowa Hits 5-year Low." Des Moines Register, 5 January 1989, 1A.
- Schuman, Jeffrey C. "Corporate Planning in Small Companies --A Survey." Long Range Planning 8, No. 5 (October, 1975): 81-90.
- Sexton, Donald L., and Van Auken, Philip. "A Longitudinal Study of Small Business Strategic Planning." Journal of Small Business Management 23, No. 1 (January, 1985): 7-15.
- Shrader, Charles B.; Taylor, Lew; and Dalton, Dan R. "Strategic Planning and Organizational Performance: A Critical Appraisal." Journal of Management 10, No. 2, (Summer, 1984): 149-71.

- Siomkos, George, and Shrivastava, Paul. "Strategies for Declining Businesses--Survival in the Fur Business." Long Range Planning 20, No. 6 (December, 1987): 84-95.
- Smart, Carolyne, and Vertinskyl, Ilan. "Strategy and the Environment: A Study of Corporate Responses to Crises." Strategic Management Journal 5, No. 3 (1984): 199-213.
- Snow, Charles C., and Hrenbiniak, Lawrence T. "Strategy, Distinctive Competence, and Organizational Performance." Administrative Science Quarterly 25, No. 2 (June, 1980): 317-36.
- Stegal, Donald P.; Steinmetz, Lawrence L.; and Kline, John B. Managing the Small Business. Homewood: Richard D. Irwin, Inc., 1976.
- Steiner, George A. "Approaches to Long-range Planning for Small Business." California Management Review 10, No. 1, (Fall, 1967): 3-16.
- Steiner, George A. "Making Long-range Company Planning Pay Off." California Management Review 4, No. 2 (Winter, 1962): 28-81.
- Steiner, Michael P., and Solem, Olaf. "Factors for Success in Small Manufacturing Firms." Journal of Small Business Management 26, No. 1 (January, 1988): 51-6.
- Stone, Kenneth E. "Impact of the Farm Financial Crisis on the Retail and Service Sectors of Rural Communities." Paper presented at the AAEA Symposium on Farm Debt Stress, Kansas City, Missouri, November 1986; Updated May, 1987.
- Stone, Kenneth E. "Testimony before the U.S. Small Business Administration Regional Rural Initiatives Field Hearing, Des Moines, Iowa, December 8, 1987.
- Timmins, Sherman A.; Fraker, Martha C.; and Brown, James. "Large-Firm Forecasting Techniques Can Improve Small Business Decision Making." Journal of Small Business Management 17, No. 3 (July, 1979): 14-18.
- Tinsley, Dillard B., and Arnold, Danny R. "Small Retailers in Small Towns: Is Marketing the Key?" Journal of Small Business Management 16, No. 1 (January, 1978): 7-12.

- Unni, V. K. "The Role of Strategic Planning in Small Businesses." Long-Range Planning 14, No. 2 (April, 1981): 54-8.
- U.S. Bureau of the Census. Statistical Abstract of the United States: 1988 (108th Ed.). Washington, D.C.: U.S. Department of Commerce, Bureau of the Census, 1987.
- Van Auken, Philip M., and Ireland, Duane R. "An Input-Output Approach to Practical Small Business Planning." Journal of Small Business Management 18, No. 1 (January, 1980): 50.
- Wacker, John G., and Cromartie, Jane S. "Adapting Forecasting Methods to the Small Firm." Journal of Small Business Management 17, No. 3 (July, 1979): 1-7.
- Wall Street Journal. "Farm Issue Loses Importance in Iowa Caucuses as What Was a Crisis Becomes Only a Problem." Wall Street Journal, 24 February 1986, 46 (W).
- Wall Street Journal. "Losing Ground; In Iowa, the Drought Might Seal the Fate of the Smallest Towns." Wall Street Journal, 30 August 1988, 1,12 (W).
- Willis, Jim. Surviving in the Newspaper Business; Newspaper Management in Turbulent Times. New York: Praeger, 1988.
- Yamane, Taro. Elementary Sampling Theory. Englewood Cliffs: Prentice-Hall, Inc., 1967.

ACKNOWLEDGMENTS

It is at once humbling and exhilarating to reach the point of completing a master's thesis--humbling because so much of this achievement has occurred because of the support and encouragement and help of others, exhilarating because a long-sought and sometimes illusory goal is at last in hand.

The opportunity to move from the world of journalism as a business into the world of university teaching, researching and learning has been a great privilege, an immense challenge and an extremely satisfying life experience. For this opportunity, I thank the Lord. I also thank my wife, Karen, and our children, Betsy and Matthew, who have found some consolation (and--who knows?--perhaps even some inspiration) in knowing that after the supper dishes were cleared, homework was awaiting even Dad!

I am deeply grateful to my parents, Larry and Marjorie Neibergall, for instilling in me an understanding of the importance of education, and a belief that I could accomplish whatever I would set out to achieve. And I'm grateful to my inlaws, Clifford and Carolyn Palmer, for their interest and encouragement and belief in this endeavor, as well.

Dr. Walter E. Niebauer, Jr.--just "Wally" to all of his students, genuine friend and major professor besides to me--has known how to inspire, challenge and direct, when to

lead and when to stand back, letting this process of education work. I've seemed to find Wally often harboring an almost mischievous smile, as he has watched me trudge with overzealous plans down a usually obscure path to knowledge. I'll always appreciate his patience, his help and his frequent advice (though I never fully grasped the application of it) that a graduate student must choose between two types of theses: a thesis that is perfect, or one that is done. This work represents a stubborn attempt to combine the two, but in the end, it also represents a concession to the truth according to Wally. Alas, this thesis is done!

I am delighted to express my appreciation, too, to Dr. Tom Emmerson, journalism department chair and thesis committee member. I probably would not have enrolled in a graduate journalism program, had it not been for opportunities and encouragement that Tom has provided. It also seems to me that through the ongoing self-assessment and long range planning processes that have been taking place at Iowa State, Dr. Emmerson's administrative leadership and his diligent effort to guide the department have been the cornerstone of what now appears to be the solid new foundation for journalism education at ISU. The opportunity to get to know Tom, to work with him and to have him on my thesis committee has been a most enjoyable honor.

Because I've also been able to take courses offered by

the ISU College of Business Administration as a part of my journalism master's program, my vision for media management has been stimulated and broadened. I count it a privilege to have had Dr. James McElroy as an instructor, an encourager, and a member of my thesis committee, too.

The Iowa Newspaper Association and the Iowa Newspaper Foundation have generously supported this research and provided a research opportunity that has been especially meaningful and fulfilling for me. For that, I would like to thank Bill Monroe, INA's executive director, Chris Mudge, INA assistant director, the boards of directors of INA and INF, the helpful and hardworking INA staff members who were involved in reproducing and mailing the research questionnaire. Special thanks, too, to INA members Mark Hamilton, Carter Pitts, Rick Morain and Al Schafer for contributing ideas and direction for this research through their participation in the focus group session; and to all of the INA publishers who completed (and those who tried their best to complete) this lengthy survey. Finally, too, a thanks to the Nebraska Press Association, manager Jim Raglin, and the NPA member publishers/managing editors who completed the pre-test survey. The help of all of these individuals has been vital to the completion of this research. The effort that each has contributed is very deeply appreciated. It is my hope that the information

offered here can be useful to community newspapers in mapping a strong and prosperous future.

APPENDIX A: T-TESTS

Table 50. T-test of Mean Differences of Iowa Weekly
vs. Non-weekly Newspapers

Variable	Mean Response of Weekly Newspapers	Mean Response of Non-weekly Newspapers	T-value
Total Perceived Uncertainty	2.52	2.58	.586
Perceived Uncertainty: Employees	1.88	1.92	.811
Perceived Uncertainty: Suppliers/Jobbers	1.74	1.62	.481
Perceived Uncertainty: Customers	2.47	2.63	.389
Perceived Uncertainty: Competitors	2.44	2.68	.186
Perceived Uncertainty: Government	2.72	2.71	.954
Perceived Uncertainty: Local Economy	3.08	3.11	.879
Perceived Uncertainty: State, U.S. and Other Economic Conditions	2.91	3.14	.211
Perceived Uncertainty: Changing Technology	2.64	2.76	.580
Evaluation of Current Iowa Economy	3.13	3.08	.637

Table 50 (Continued)

Variable	Mean Response of Weekly Newspapers	Mean Response of Non-weekly Newspapers	T-value
Evaluation of Iowa Economy 1988 vs. 1987	3.33	3.62	.049*
Evaluation of Iowa Economy's 5-Year Outlook	3.73	3.77	.747
Evaluation of Current Local Economy	3.17	3.44	.043*
Evaluation of Local Economy 1988 vs. 1987	3.28	3.67	.016*
Evaluation of Local Economy's 5-Year Outlook	3.62	3.77	.309
Evaluation of Newspaper Industry's Current Economy	3.16	3.28	.271
Evaluation of Newspaper Industry 1988 vs. 1987	3.17	3.23	.602
Evaluation of Newspaper Industry 5-Year Outlook	3.33	3.41	.566
Evaluation of Same Size Papers' Current Economy	2.97	3.31	.004**
Evaluation of Same Size Papers 1988 vs. 1987	3.03	3.32	.050*

*Significant at 0.05 level.

**Significant at 0.01 level.

Table 50 (Continued)

Variable	Mean Response of Weekly Newspapers	Mean Response of Non-weekly Newspapers	T-value
Evaluation of Same Size Papers' 5-Year Outlook	3.15	3.55	.018*
Evaluation of This Newspaper's Current Economy	3.35	3.49	.345
Evaluation of This Newspaper 1988 vs. 1987	3.29	3.32	.888
Evaluation of This Newspaper's 5-Year Outlook	3.49	3.82	.006**
Preparation of Balance Sheet	3.90	4.79	.000***
Preparation of Income Statement	4.01	4.89	.000***
Preparation of Cashflow Analysis	3.34	4.46	.000***
Preparation of Overall Formal Budget	1.12	1.76	.018*
Preparation of Departmental Formal Budget	0.63	1.58	.000***
Preparation of Formal 1-Month Sales Forecast	0.77	2.26	.001***
Preparation of Informal 1-Month Sales Forecast	1.37	1.84	.240

***Significant at the level of .001 or less.

Table 50 (Continued)

Variable	Mean Response of Weekly Newspapers	Mean Response of Non-weekly Newspapers	T-value
Preparation of Formal 6-12 Month Forecast	0.57	1.43	.001***
Preparation of Informal 6-12 Month Forecast	0.95	1.56	.102
Circulation Index, 1987	106.72	99.06	.236
Formal Long Range Planning	0.09	0.29	.017*
Informal Long Range Planning	0.44	0.57	.172
Short-Term Planning	3.02	3.11	.634
Intermediate Planning	2.38	2.92	.004**
Long Range Planning	1.68	2.61	.000***
Value of Short Term Planning	3.90	4.08	.427
Value of Inter- mediate Planning	3.53	3.89	.107
Value of Long Range Planning	2.79	3.58	.008**
Thinking of Adding an Enterprise	2.96	3.10	.612

Table 50 (Continued)

Variable	Mean Response of Weekly Newspapers	Mean Response of Non-weekly Newspapers	T-value
Likely to Add Another Enterprise	3.01	3.21	.414
Thinking of Dropping an Enterprise	1.85	1.78	.690
Likely to Drop An Enterprise	2.17	2.19	.968
46 \leq n (weeklies) \leq 120 16 \leq n (non-weeklies) \leq 39			

Table 51. T-test of Mean Differences of Iowa Newspapers
Published in Smaller Towns (Pop. 2244 or Less)
vs. Papers Published in Larger Towns

Variable	Mean Response of Papers from Smaller Towns (Median=2244)	Mean Response of Newspapers from Larger Iowa Towns	T-value
Total Perceived Uncertainty	2.50	2.60	.365
Uncertainty/ Employees	1.81	1.97	.299
Uncertainty/ Suppliers & Jobbers	1.60	1.82	.154
Uncertainty/ Customers	2.45	2.60	.343
Uncertainty/ Competitors	2.49	2.55	.715
Uncertainty/ Government	2.70	2.79	.635
Uncertainty/ Local Economy	3.12	3.10	.911
Uncertainty/ State, U.S. & Other Economic Factors	2.99	2.99	.997
Uncertainty/ Changing Technology	2.59	2.75	.369
Evaluation of Current Iowa Economy	3.08	3.15	.408
Evaluation of Iowa Economy 1988 vs. 1987	3.32	3.46	.339

Table 51 (Continued)

Variable	Mean Response of Papers from Smaller Towns (Median=2244)	Mean Response of Newspapers from Larger Iowa Towns	T-value
Evaluation of Iowa Economy 5-Year Outlook	3.60	3.86	.028*
Evaluation of Current Local Economy	3.08	3.36	.011*
Evaluation of Local Economy 1988 vs. 1987	3.24	3.50	.110
Evaluation of Local Economy 5-Year Outlook	3.54	3.76	.083
Evaluation of Newspaper Industry Current Economy	3.18	3.21	.736
Evaluation of Newspaper Industry 1988 vs. 1987	3.15	3.21	.582
Evaluation of Newspaper Industry's 5-Year Outlook	3.29	3.39	.471
Evaluation of Same Size Papers' Current Economy	2.86	3.25	.000***
Evaluation of Same Size Papers 1988 vs. 1987	2.99	3.22	.066

*Significant at 0.05 level.

***Significant at the level of .001 or less.

Table 51 (Continued)

Variable	Mean Response of Papers from Smaller Towns (Median=2244)	Mean Response of Newspapers from Larger Iowa Towns	T-value
Evaluation of Same Size Papers' 5-Year Outlook	3.03	3.44	.004**
This Paper's Current Economy	3.23	3.55	.011*
This Paper 1988 vs. 1987	3.22	3.38	.266
This Paper's 5-Year Outlook	3.35	3.78	.001***
Preparation of Balance Sheet	3.54	4.64	.000***
Preparation of Income Statement	3.76	4.77	.000***
Preparation of Cashflow Analysis	3.04	4.11	.001***
Preparation of Formal Budget	0.89	1.56	.003**
Preparation of Formal 1-Month Sales Forecast	0.61	1.55	.002**
Preparation of Informal 1-Month Sales Forecast	1.00	1.97	..004**
Preparation of Formal 6-12 Month Sales Forecast	0.32	1.21	.000***

**Significant at 0.01 level.

Table 51 (Continued)

Variable	Mean Response of Papers from Smaller Towns (Median=2244)	Mean Response of Newspapers from Larger Iowa Towns	T-value
Preparation of Informal 6-12 Month Sales Forecast	0.91	1.25	.199
1987 Sales Index	114.15	119.97	.362
1987 Advertising Sales Index	111.09	119.67	.188
1987 Circulation Index	100.75	108.98	.371
Formal Long Range Planning	0.04	0.23	.000***
Informal Long Range Planning	0.39	0.55	.050*
Short Term Planning Time	2.94	3.15	.164
Intermediate Planning Time	2.20	2.81	.000***
Long Range Planning Time	1.36	2.41	.000***
Value of Short Term Planning	3.79	4.13	.074
Value of Inter- mediate Planning	3.30	3.92	.001***
Value of Long Range Planning	2.45	3.51	.000***
Think of Adding An Enterprise	3.09	2.93	.498
Likely to Add An Enterprise	3.10	3.05	.810

Table 51 (Continued)

Variable	Mean Response of Papers from Smaller Towns (Median=2244)	Mean Response of Newspapers from Larger Iowa Towns	T-value
Think of Dropping An Enterprise	1.82	1.83	.979
Likely to Drop An Enterprise	2.19	2.03	.587
32 \leq n (smaller towns) \leq 78			
30 \leq n (larger towns) \leq 80			

Table 52. T-test of Mean Differences of Iowa Newspapers with Smaller Circulations (2439 or Less) vs. Papers with Larger Circulations

Variable	Mean Response of Smaller Circulation Newspapers	Mean Response of Larger Circulation Newspapers	T-value
Total Perceived Uncertainty	2.43	2.63	.058
Uncertainty/ Employees	1.84	1.94	.528
Uncertainty/ Suppliers & Jobbers	1.58	1.83	.080
Uncertainty/ Customers	2.38	2.65	.078
Uncertainty/ Competitors	2.35	2.65	.065
Uncertainty/ Government	2.62	2.82	.287
Uncertainty/ Local Economy	3.03	3.15	.434
Uncertainty/ State, U.S. & Other Economic Factors	2.91	3.03	.430
Uncertainty/ Changing Technology	2.57	2.77	.241
Evaluation of Current Iowa Economy	3.08	3.16	.334
Evaluation of Iowa Economy 1988 vs. 1987	3.35	3.48	.353

Table 52 (Continued)

Variable	Mean Response of Smaller Circulation Newspapers	Mean Response of Larger Circulation Newspapers	T-value
Evaluation of Iowa Economy's 5-Year Outlook	3.62	3.85	.044*
Evaluation of Current Local Economy	3.15	3.33	.106
Evaluation of Local Economy 1988 vs. 1987	3.27	3.51	.136
Evaluation of Local Economy's 5-Year Outlook	3.45	3.86	.001***
Evaluation of Newspaper Industry's Current Economy	3.19	3.20	.957
Evaluation of Newspaper Industry 1988 vs. 1987	3.17	3.21	.684
Evaluation of Newspaper Industry's 5-Year Outlook	3.27	3.44	.141
Evaluation of Same Size Papers' Current Economy	2.88	3.23	.001***
Evaluation of Same Size Papers 1988 vs. 1987	2.99	3.24	.042*
Evaluation of Same Size Papers 5-Year Outlook	3.01	3.50	.001***

*Significant at 0.05 level.

***Significant at the level of .001 or less.

Table 52 (Continued)

Variable	Mean Response of Smaller Circulation Newspapers	Mean Response of Larger Circulation Newspapers	T-value
This Paper's Current Economy	3.31	3.47	.197
This Paper 1988 vs. 1987	3.24	3.35	.466
This Paper's 5-Year Outlook	3.35	3.78	.001
Preparation of Balance Sheet	3.58	4.58	.000***
Preparation of Income Statement	3.81	4.71	.000***
Preparation of Cashflow Analysis	3.12	4.03	.004 **
Preparation of Formal Budget	1.05	1.48	.072
Preparation of Formal 1-Month Sales Forecast	0.69	1.55	.004**
Preparation of Informal 1-Month Sales Forecast	1.20	1.73	.122
Preparation of Formal 6-12 Month Sales Forecast	0.45	1.09	.003**
Preparation of Informal 6-12 Month Forecast	0.92	1.25	.223
1987 Sales Index	112.32	121.47	.139

***Significant at 0.01 level.

Table 52 (Continued)

Variable	Mean Response of Smaller Circulation Newspapers	Mean Response of Larger Circulation Newspapers	T-value
1987 Advertising Sales Index	110.43	119.92	.133
1987 Circulation Index	100.68	108.48	.368
Formal Long Range Plan	0.05	0.23	.002**
Informal Long Range Plan	0.41	0.53	.140
Short Term Planning Time	2.96	3.11	.339
Intermediate Planning Time	2.25	2.76	.001***
Long Range Planning Time	1.54	2.24	.000***
Value of Short Term Planning	3.87	4.01	.461
Value of Inter- mediate Planning	3.42	3.80	.050*
Value of Long Range Planning	2.63	3.33	.006**
Think of Adding An Enterprise	2.87	3.14	.261
Likely to Add An Enterprise	3.04	3.08	.841
Think of Dropping An Enterprise	1.73	1.95	.176

Table 52 (Continued)

Variable	Mean Response of Smaller Circulation Newspapers	Mean Response of Larger Circulation Newspapers	T-value
Likely to Drop An Enterprise	2.04	2.25	.473
27 \leq n (smaller circulation newspapers) \leq 78 36 \leq n (larger circulation newspapers) \leq 81			

Table 53. T-test of Mean Differences of Younger (47 & Under)
vs. Older Survey Respondents

Variable	Mean Response of Younger Respondents	Mean Response of Older Respondents	T-value
Total Perceived Uncertainty	2.62	2.44	.094
Uncertainty/ Employees	2.03	1.75	.074
Uncertainty/ Suppliers & Jobbers	1.91	1.51	.007**
Uncertainty/ Customers	2.67	2.36	.044*
Uncertainty/ Competitors	2.65	2.36	.065
Uncertainty/ Government	2.79	2.65	.478
Uncertainty/ Local Economy	3.25	2.94	.046*
Uncertainty/ State, U.S. & Other Economic Factors	2.96	2.97	.934
Uncertainty/ Changing Technology	2.61	2.74	.469
Evaluation of Current Iowa Economy	3.14	3.09	.566
Evaluation of Iowa Economy 1988 vs. 1987	3.43	3.38	.736

*Significant at 0.05 level.

**Significant at 0.01 level.

Table 53 (Continued)

Variable	Mean Response of Younger Respondents	Mean Response of Older Respondents	T-value
Evaluation of Iowa Economy's 5-Year Outlook	3.74	3.74	1.000
Evaluation of Current Local Economy	3.24	3.23	.913
Evaluation of Local Economy 1988 vs. 1987	3.39	3.38	.937
Evaluation of Local Economy's 5-Year Outlook	3.65	3.66	.923
Evaluation of Newspaper Industry's Current Economy	3.18	3.21	.698
Evaluation of Newspaper Industry 1988 vs. 1987	3.23	3.15	.478
Evaluation of Newspaper Industry's 5-Year Outlook	3.31	3.39	.556
Evaluation of Same Sized Papers' Current Economy	2.95	3.16	.040*
Evaluation of Same Sized Papers 1988 vs. 1987	3.14	3.08	.619
Evaluation of Same Sized Papers' 5-Year Outlook	3.19	3.30	.427

Table 53 (Continued)

Variable	Mean Response of Younger Respondents	Mean Response of Older Respondents	T-value
This Paper's Current Economy	3.35	3.43	.547
This Paper 1988 vs. 1987	3.38	3.22	.270
This Paper's 5-Year Outlook	3.63	3.51	.349
Preparation of Balance Sheet	4.10	4.08	.919
Preparation of Income Statement	4.30	4.26	.850
Preparation of Cashflow Analysis	3.30	3.87	.074
Formal Budget	1.28	1.26	.925
Formal 1-Month Sales Forecast	1.06	1.21	.636
Informal 1-Month Sales Forecast	1.56	1.39	.616
Formal 6-12 Month Sales Forecast	0.69	0.87	.419
Informal 6-12 Month Forecast	1.10	1.07	.893
1987 Sales Index	122.89	110.73	.047*
1987 Advertising Sales Index	123.07	107.73	.016
1987 Circulation Index	102.34	107.14	.595
Formal Long Range Planning	0.14	0.14	.949

Table 53 (Continued)

Variable	Mean Response of Younger Respondents	Mean Response of Older Respondents	T-value
Informal Long Range Planning	0.51	0.43	.329
Short-Term Planning Time	3.21	2.87	.035*
Intermediate Planning Time	2.49	2.53	.811
Long Range Planning Time	1.99	1.81	.365
Value of Short Range Planning	4.26	3.63	.001***
Value of Inter- mediate Planning	3.76	3.47	.146
Value of Long Range Planning	3.19	2.78	.106
Think of Adding An Enterprise	3.24	2.75	.035*
Likely to Add An Enterprise	3.19	2.92	.202
Think of Dropping An Enterprise	1.96	1.71	.127
Likely to Drop An Enterprise	2.39	1.94	.123
31 _ n (younger respondents) _ 80			
32 _ n (older respondents) _ 80			

***Significant at level of .001 or less.

Table 54. T-test of Mean Differences of Male and Female Survey Respondents

Variable	Mean Response of Male Respondents	Mean Response of Female Respondents	T-value
Total Perceived Uncertainty	2.57	2.38	.150
Uncertainty/ Employees	1.94	1.69	.176
Uncertainty/ Suppliers & Jobbers	1.71	1.69	.883
Uncertainty/ Customers	2.56	2.33	.226
Uncertainty/ Competitors	2.49	2.56	.704
Uncertainty/ Government	2.81	2.39	.075
Uncertainty/ Local Economy	3.07	3.18	.543
Uncertainty/ State, U.S. & Other Economic Factors	3.00	2.85	.411
Uncertainty/ Changing Technology	2.75	2.38	.078
Evaluation of Current Iowa Economy	3.13	3.06	.523
Evaluation of Iowa Economy 1988 vs. 1987	3.38	3.47	.621

Table 54 (Continued)

Variable	Mean Response of Male Respondents	Mean Response of Female Respondents	T-value
Evaluation of Iowa Economy's 5-Year Outlook	3.78	3.59	.186
Evaluation of Current Local Economy	3.25	3.18	.619
Evaluation of Local Economy 1988 vs. 1987	3.34	3.53	.333
Evaluation of Local Economy's 5-Year Outlook	3.68	3.59	.431
Evaluation of Newspaper Industry's Current Economy	3.16	3.32	.162
Evaluation of Newspaper Industry 1988 vs. 1987	3.19	3.18	.914
Evaluation of Newspaper Industry's 5-Year Outlook	3.35	3.35	.981
Evaluation of Same Size Papers' Current Economy	3.06	3.06	.980
Evaluation of Same Size Papers 1988 vs. 1987	3.11	3.09	.875
Evaluation of Same Size Papers' 5-Year Outlook	3.29	3.09	.262
This Paper's Current Economy	3.40	3.32	.594

Table 54 (Continued)

Variable	Mean Response of Male Respondents	Mean Response of Female Respondents	T-value
This Paper 1988 vs. 1987	3.30	3.26	.824
This Paper's 5-Year Outlook	3.60	3.47	.409
Preparation of Balance Sheet	4.28	3.34	.021*
Preparation of Income Statement	4.44	3.65	.035*
Preparation of Cashflow Analysis	3.82	2.72	.004**
Formal Budget	1.37	0.88	.085
Formal 1-Month Sales Forecast	1.19	0.94	.511
Informal 1-Month Sales Forecast	1.50	1.39	.798
Formal 6-12 Month Sales Forecast	0.85	0.50	.112
Informal 6-12 Month Forecast	1.15	0.84	.350
1987 Sales Index	117.91	111.91	.321
1987 Advertising Sales Index	116.75	107.76	.286
1987 Circulation Index	99.37	133.5	.224
Formal Long Range Planning	0.15	0.09	.355

*Significant at 0.05 level.

**Significant at 0.01 level.

Table 54 (Continued)

Variable	Mean Response of Male Respondents	Mean Response of Female Respondents	T-value
Informal Long Range Planning	0.50	0.32	.072
Short-Term Planning Time	2.98	3.27	.125
Intermediate Planning Time	2.54	2.39	.441
Long Range Planning Time	1.98	1.58	.086
Value of Short Term Planning	3.95	3.91	.851
Value of Inter- mediate Planning	3.68	3.38	.209
Value of Long Range Planning	3.13	2.44	.027*
Think of Adding An Enterprise	3.06	2.79	.361
Likely to Add An Enterprise	3.14	2.65	.086
Think of Dropping An Enterprise	1.90	1.57	.125
Likely to Drop An Enterprise	2.21	1.91	.434

52 \leq n (male respondents) \leq 126
 11 \leq n (female respondents) \leq 34

Table 55. T-test of Mean Differences of Newspaper Owners vs. Non-owners Among Survey Respondents

Variable	Mean Response of Newspaper Owners	Mean Response of Non-owners	T-value
Total Perceived Uncertainty	2.57	2.44	.311
Uncertainty/ Employees	1.94	1.74	.266
Uncertainty/ Suppliers & Jobbers	1.69	1.76	.719
Uncertainty/ Customers	2.56	2.40	.384
Uncertainty/ Competitors	2.55	2.36	.292
Uncertainty/ Government	2.79	2.51	.197
Uncertainty/ Local Economy	3.11	3.03	.622
Uncertainty/ State, U.S. & Other Economic Factors	3.03	2.79	.183
Uncertainty/ Changing Technology	2.66	2.72	.764
Evaluation of Current Iowa Economy	3.13	3.05	.391
Evaluation of Iowa Economy 1988 vs. 1987	3.40	3.39	.938

Table 55 (Continued)

Variable	Mean Response of Newspaper Owners	Mean Response of Non-owners	T-value
Evaluation of Iowa Economy's 5-Year Outlook	3.76	3.68	.585
Evaluation of Current Local Economy	3.21	3.39	.528
Evaluation of Local Economy 1988 vs. 1987	3.36	3.44	.670
Evaluation of Local Economy's 5-Year Outlook	3.70	3.54	.274
Evaluation of Newspaper Industry's Current Economy	3.21	3.15	.565
Evaluation of Newspaper Industry 1988 vs. 1987	3.23	3.07	.203
Evaluation of Newspaper Industry's 5-Year Outlook	3.35	3.34	.937
Evaluation of Same Size Papers' Current Economy	3.03	3.12	.459
Evaluation of Same Size Papers 1988 vs. 1987	3.13	3.03	.442
Evaluation of Same Size Papers' 5-Year Outlook	3.24	3.28	.814
This Paper's Current Economy	3.39	3.39	.979

Table 55 (Continued)

Variable	Mean Response of Newspaper Owners	Mean Response of Non-owners	T-value
This Paper 1988 vs. 1987	3.32	3.23	.573
This Paper's 5-Year Outlook	3.55	3.63	.509
Preparation of Balance Sheet	4.03	4.28	.375
Preparation of Income Statement	4.28	4.28	.981
Preparation of Cashflow Analysis	3.57	3.68	.729
Formal Budget	1.16	1.59	.115
Formal 1-Month Sales Forecast	0.88	1.90	.013*
Informal 1-Month Sales Forecast	1.39	1.72	.402
Formal 6-12 Month Sales Forecast	0.51	1.56	.001***
Informal 6-12 Month Forecast	1.03	1.26	.509
1987 Sales Index	117.53	114.54	.734
1987 Advertising Sales Index	115.88	112.85	.694
1987 Circulation Index	105.11	103.25	.784
Formal Long Range Planning	0.10	0.26	.049*

*Significant at 0.05 level.

***Significant at the level of .001 or less.

Table 55 (Continued)

Variable	Mean Response of Newspaper Owners	Mean Response of Non-owners	T-value
Informal Long Range Planning	0.46	0.47	.921
Short-Term Planning Time	2.95	3.31	.049*
Intermediate Planning Time	2.44	2.74	.094
Long Range Planning Time	1.85	2.03	.448
Value of Short Term Planning	3.91	4.03	.622
Value of Inter- mediate Planning	3.53	3.87	.127
Value of Long Range Planning	2.90	3.26	.222
Think of Adding An Enterprise	3.07	2.81	.315
Likely to Add An Enterprise	3.08	3.00	.766
Think of Dropping An Enterprise	1.83	1.86	.857
Likely to Drop An Enterprise	2.19	2.06	.702

$47 \leq n$ (owners) ≤ 119
 $16 \leq n$ (non-owners) ≤ 41

Table 56. T-test of Mean Differences of Respondents Who Do NOT Have A Formal Long Range Plan vs. Those Who DO Have A Formal Long Range Plan

Variable	Mean Response of Managers Who Do NOT Have A Formal Long Range Plan	Mean Response of Managers Who Have A Formal Long Range Plan	T-value
Total Perceived Uncertainty	2.55	2.46	.555
Uncertainty/ Employees	1.89	2.00	.609
Uncertainty/ Suppliers & Jobbers	1.71	1.70	.952
Uncertainty/ Customers	2.54	2.29	.256
Uncertainty/ Competitors	2.56	2.25	.195
Uncertainty/ Government	2.71	2.80	.740
Uncertainty/ Local Economy	3.16	2.76	.078
Uncertainty/ State, U.S. & Other Economic Factors	3.00	2.76	.283
Uncertainty/ Changing Technology	2.68	2.57	.658
Evaluation of Current Iowa Economy	3.10	3.23	.300

Table 56 (Continued)

Variable	Mean Response of Managers Who Do NOT Have A Formal Long Range Plan	Mean Response of Managers Who Have A Formal Long Range Plan	T-value
Evaluation of Iowa Economy 1988 vs. 1987	3.37	3.68	.137
Evaluation of Iowa Economy's 5-Year Outlook	3.70	3.95	.141
Evaluation of Current Local Economy	3.19	3.59	.056
Evaluation of Local Economy 1988 vs. 1987	3.56	3.64	.222
Evaluation of Local Economy's 5-Year Outlook	3.66	3.73	.734
Evaluation of Newspaper Industry's Current Economy	3.21	3.18	.847
Evaluation of Newspaper Industry 1988 vs. 1987	3.19	3.27	.606
Evaluation of Newspaper Industry's 5-Year Outlook	3.34	3.59	.169
Evaluation of Same Size Papers' Current Economy	3.06	3.18	.414
Evaluation of Same Size Papers 1988 vs. 1987	3.11	3.23	.520

Table 56 (Continued)

Variable	Mean Response of Managers Who Do NOT Have A Formal Long Range Plan	Mean Response of Managers Who Have A Formal Long Range Plan	T-value
Evaluation of Same Size Papers' 5-Year Outlook	3.25	3.50	.219
This Paper's Current Economy	3.37	3.64	.134
This Paper 1988 vs. 1987	3.29	3.45	.443
This Paper's 5-Year Outlook	3.57	3.68	.549
Preparation of Balance Sheet	3.95	4.86	.000***
Preparation of Income Statement	4.19	4.77	.017*
Preparation of Cashflow Analysis	3.38	4.73	.000***
Formal Budget	1.08	2.50	.000***
Formal 1-Month Sales Forecast	0.82	3.09	.000***
Informal 1-Month Sales Forecast	1.31	2.65	.007**
Formal 6-12 Month Sales Forecast	0.56	2.14	.001***
Informal 6-12 Month Forecast	1.04	1.45	.301
1987 Sales Index	114.29	136.27	.183

*Significant at 0.05 level.

**Significant at 0.01 level.

***Significant at level of .001 or less.

Table 56 (Continued)

Variable	Mean Response of Managers Who Do NOT Have A Formal Long Range Plan	Mean Response of Managers Who Have A Formal Long Range Plan	T-value
1987 Advertising Sales Index	112.79	133.87	.190
1987 Circulation Index	100.86	135.07	.365
Informal Long Range Planning	0.49	0.25	.067
Short-Term Planning Time	2.99	3.36	.096
Intermediate Planning Time	2.40	3.27	.000***
Long Range Planning Time	1.74	2.86	.000***
Value of Short Term Planning	3.89	4.27	.170
Value of Inter- mediate Planning	3.50	4.36	.002**
Value of Long Range Planning	2.82	4.05	.001***
Think of Adding An Enterprise	2.96	3.43	.193
Likely to Add An Enterprise	2.91	3.88	.001
Think of Dropping An Enterprise	1.80	2.10	.198
Likely to Drop An Enterprise	2.02	2.82	.036*
52 \leq n (without formal long range plan) \leq 134			
11 \leq n (with formal long range plan) \leq 22			

Table 57. T-test of Mean Differences of Respondents Who Do NOT Have An Informal Long Range Plan vs. Those Who Have An Informal Long Range Plan

Variable	Mean Response of Managers Who Do NOT Have An Informal Long Range Plan	Mean Response of Managers Who Have An Informal Long Range Plan	T-value
Total Perceived Uncertainty	2.57	2.54	.773
Uncertainty/ Employees	1.87	1.93	.799
Uncertainty/ Suppliers & Jobbers	1.67	1.79	.432
Uncertainty/ Customers	2.46	2.59	.435
Uncertainty/ Competitors	2.60	2.46	.371
Uncertainty/ Government	2.78	2.65	.506
Uncertainty/ Local Economy	3.14	3.10	.824
Uncertainty/ State, U.S. & Other Economic Factors	2.99	2.99	.988
Uncertainty/ Changing Technology	2.72	2.63	.602
Evaluation of Current Iowa Economy	3.13	3.07	.546

Table 57 (Continued)

Variable	Mean Response of Managers Who Have An Informal Long Range Plan	Mean Response of Managers Who Do NOT Have Have An Informal Long Range Plan	T-value
Evaluation of Iowa Economy 1988 vs. 1987	3.30	3.54	.102
Evaluation of Iowa Economy's 5-Year Outlook	3.73	3.71	.930
Evaluation of Current Local Economy	3.19	3.29	.386
Evaluation of Local Economy 1988 vs. 1987	3.28	3.54	.091
Evaluation of Local Economy's 5-Year Outlook	3.66	3.67	.946
Evaluation of Newspaper Industry's Current Economy	3.14	3.29	.135
Evaluation of Newspaper Industry 1988 vs. 1987	3.06	3.37	.004**
Evaluation of Newspaper Industry's 5-Year Outlook	3.39	3.37	.901
Evaluation of Same Size Papers' Current Economy	3.03	3.10	.481
Evaluation of Same Size Papers 1988 vs. 1987	2.98	3.33	.004**

**Significant at 0.01 level.

Table 57 (Continued)

Variable	Mean Response of Managers Who Have An Informal Long Range Plan	Mean Response of Managers Who Do NOT Have Have An Informal Long Range Plan	T-value
Evaluation of Same Size Papers' 5-Year Outlook	3.21	3.35	.353
This Paper's Current Economy	3.38	3.46	.521
This Paper 1988 vs. 1987	3.16	3.52	.014**
This Paper's 5-Year Outlook	3.50	3.68	.160
Preparation of Balance Sheet	3.91	4.20	.265
Preparation of Income Statement	4.22	4.26	.845
Preparation of Cashflow Analysis	3.18	3.93	.023*
Formal Budget	1.08	1.38	.205
Formal 1-Month Sales Forecast	1.00	1.16	.603
Informal 1-Month Sales Forecast	1.00	1.90	.008**
Formal 6-12 Month Sales Forecast	0.71	0.79	.703
Informal 6-12 Month Forecast	0.70	1.54	.003**
1987 Sales Index	117.48	115.30	.718

*Significant at 0.05 level.

Table 57 (Continued)

Variable	Mean Response of Managers Who Have An Informal Long Range Plan	Mean Response of Managers Who Do NOT Have Have An Informal Long Range Plan	T-value
1987 Advertising Sales Index	115.71	113.89	.768
1987 Circulation Index	101.70	99.45	.389
Formal Long Range Planning	0.15	0.06	.060
Short-Term Planning Time	2.94	3.09	.364
Intermediate Planning Time	2.34	2.65	.050*
Long Range Planning Time	1.60	2.14	.005**
Value of Short Term Planning	3.80	4.06	.193
Value of Inter- mediate Planning	3.39	3.83	.026*
Value of Long Range Planning	2.66	3.26	.021*
Think of Adding An Enterprise	2.98	2.98	.989
Likely to Add An Enterprise	3.02	2.98	.856
Think of Dropping An Enterprise	1.89	1.78	.525
Likely to Drop An Enterprise	2.26	1.93	.218
34 \leq n (without informal plan) \leq 80			
27 \leq n (with informal long range plan) \leq 70			

APPENDIX B: RESEARCH INSTRUMENT

Iowa/Nebraska
Community Newspaper Survey

A pilot study

The purpose of this study is to help discover what impact economic conditions are having on Iowa and Nebraska community newspapers and to identify some coping strategies that will help community newspapers survive and flourish in the next decade and beyond.

**THE IDENTITIES OF ALL RESPONDENTS, THEIR COMMUNITIES
AND THE NEWSPAPERS THEY REPRESENT WILL BE KEPT
STRICTLY CONFIDENTIAL**

This study is being conducted by
John D. Neibergall,
former owner/publisher of four Iowa community newspapers.
as part of a master's thesis
at Iowa State University in Ames, Iowa

Funding has been provided by the Iowa Newspaper Foundation.
Also cooperating in this research are the
Iowa Newspaper Association
and the
Nebraska Press Association

Summer, 1988

IOWA COMMUNITY NEWSPAPER SURVEY

NOTE: Survey is to be completed by the PUBLISHER or MANAGING EDITOR only. All responses will be kept strictly confidential, and neither the respondents, nor the newspapers, nor the communities they serve will be identified.

Section I:
THE ECONOMY

TODAY'S DATE:
(Important! Please fill in date)

Questions in this section are asking YOUR OPINION. There is NO right or wrong answer to any of these questions.

1. In general, how would you rate the current IOWA economy?
(Circle the appropriate response):

5	4	3	2	1
VERY GOOD	GOOD	FAIR	POOR	VERY POOR

2. In general, how do you feel the Iowa economy is THIS YEAR compared to how it was last year? (Circle the appropriate response):

1	2	3	4	5
<u>MUCH WORSE THAN LAST YEAR</u>	A LITTLE <u>WORSE THAN LAST YEAR</u>	ABOUT THE <u>SAME AS LAST YEAR</u>	A LITTLE <u>BETTER THAN LAST YEAR</u>	<u>MUCH BETTER THAN LAST YEAR</u>

3. In general, how do you feel the IOWA ECONOMY will do in the next five years? (Circle the appropriate response):

5	4	3	2	1
<u>MUCH BETTER IN THE NEXT 5 YEARS</u>	A LITTLE <u>BETTER IN THE NEXT 5 YEARS</u>	ABOUT THE <u>SAME IN THE NEXT 5 YEARS</u>	A LITTLE <u>WORSE IN THE NEXT 5 YEARS</u>	<u>MUCH WORSE IN THE NEXT 5 YEARS</u>

4. In general, how would you rate the economy in your LOCAL community (in the community where this newspaper is located)? (Circle the appropriate response):

5	4	3	2	1
VERY GOOD	GOOD	FAIR	POOR	VERY POOR

5. In general, how do you feel your LOCAL economy (in the community in which this newspaper is located) is doing THIS YEAR compared to last year? (Circle the appropriate response):

1	2	3	4	5
<u>MUCH</u>	A LITTLE	ABOUT THE	A LITTLE	MUCH
<u>WORSE</u>	<u>WORSE</u>	<u>SAME</u>	<u>BETTER</u>	<u>BETTER</u>
<u>THAN</u>	THAN	AS LAST	THAN	THAN
LAST	LAST	YEAR	LAST	LAST
YEAR	YEAR		YEAR	YEAR

6. In general, how do you feel the LOCAL ECONOMY (in the community where this newspaper is located) will do in the next five years? (Circle the appropriate response):

5	4	3	2	1
<u>MUCH</u>	A LITTLE	ABOUT THE	A LITTLE	MUCH
<u>BETTER</u>	<u>BETTER</u>	<u>SAME</u>	<u>WORSE</u>	<u>WORSE</u>
<u>IN THE</u>	IN THE	IN THE	IN THE	IN THE
NEXT 5	NEXT 5	NEXT 5	NEXT 5	NEXT 5
YEARS	YEARS	YEARS	YEARS	YEARS

7. In general, how would you rate the current economic condition of the NEWSPAPER INDUSTRY in IOWA? (Circle the appropriate response):

5	4	3	2	1
VERY	GOOD	FAIR	POOR	VERY
GOOD				POOR

8. In general, how do you feel the NEWSPAPER INDUSTRY in IOWA is doing THIS YEAR compared to last year? (Circle the appropriate response):

1	2	3	4	5
<u>MUCH</u>	A LITTLE	ABOUT THE	A LITTLE	MUCH
<u>WORSE</u>	<u>WORSE</u>	<u>SAME</u>	<u>BETTER</u>	<u>BETTER</u>
<u>THAN</u>	THAN	AS LAST	THAN	THAN
LAST	LAST	YEAR	LAST	LAST
YEAR	YEAR		YEAR	YEAR

9. In general, how do you feel THE NEWSPAPER INDUSTRY in Iowa will do in the next five years? (Circle the appropriate response):

5	4	3	2	1
MUCH	A LITTLE	ABOUT THE	A LITTLE	MUCH
<u>BETTER</u>	<u>BETTER</u>	<u>SAME</u>	<u>WORSE</u>	<u>WORSE</u>
IN THE	IN THE	IN THE	IN THE	IN THE
NEXT 5	NEXT 5	NEXT 5	NEXT 5	NEXT 5
YEARS	YEARS	YEARS	YEARS	YEARS

10. In general, how would you rate the current economic condition of NEWSPAPERS in Iowa with ABOUT THE SAME CIRCULATION as this newspaper? (Circle the appropriate response):

5	4	3	2	1
VERY	GOOD	FAIR	POOR	VERY
GOOD				POOR

11. In general, how do you feel NEWSPAPERS in IOWA with ABOUT THE SAME CIRCULATION as this newspaper are doing THIS YEAR compared to last year? (Circle the appropriate response):

1	2	3	4	5
MUCH	A LITTLE	ABOUT THE	A LITTLE	MUCH
<u>WORSE</u>	<u>WORSE</u>	<u>SAME</u>	<u>BETTER</u>	<u>BETTER</u>
THAN	THAN	AS LAST	THAN	THAN
LAST	LAST	YEAR	LAST	LAST
YEAR	YEAR		YEAR	YEAR

12. In general, how do you feel NEWSPAPERS in IOWA with ABOUT THE SAME CIRCULATION as this newspaper will do in the next five years? (Circle the appropriate response):

5	4	3	2	1
MUCH	A LITTLE	ABOUT THE	A LITTLE	MUCH
<u>BETTER</u>	<u>BETTER</u>	<u>SAME</u>	<u>WORSE</u>	<u>WORSE</u>
IN THE	IN THE	IN THE	IN THE	IN THE
NEXT 5	NEXT 5	NEXT 5	NEXT 5	NEXT 5
YEARS	YEARS	YEARS	YEARS	YEARS

13. Thinking now about this newspaper, in general, how would you rate THIS NEWSPAPER'S current economic condition? (Circle the appropriate response):

5	4	3	2	1
VERY	GOOD	FAIR	POOR	VERY
GOOD				POOR

14. In general, how do you feel THIS NEWSPAPER is doing THIS YEAR compared to last year? (Circle the appropriate response):

1	2	3	4	5
<u>MUCH</u>	A LITTLE	ABOUT THE	A LITTLE	MUCH
<u>WORSE</u>	<u>WORSE</u>	<u>SAME</u>	<u>BETTER</u>	<u>BETTER</u>
<u>THAN</u>	<u>THAN</u>	AS LAST	<u>THAN</u>	<u>THAN</u>
LAST	LAST	YEAR	LAST	LAST
YEAR	YEAR		YEAR	YEAR

15. In general, how do you feel THIS NEWSPAPER will do in the next five years? (Circle the appropriate response):

5	4	3	2	1
<u>MUCH</u>	A LITTLE	ABOUT THE	A LITTLE	MUCH
<u>BETTER</u>	<u>BETTER</u>	<u>SAME</u>	<u>WORSE</u>	<u>WORSE</u>
<u>IN THE</u>	<u>IN THE</u>	<u>IN THE</u>	<u>IN THE</u>	<u>IN THE</u>
<u>NEXT 5</u>	<u>NEXT 5</u>	<u>NEXT 5</u>	<u>NEXT 5</u>	<u>NEXT 5</u>
<u>YEARS</u>	<u>YEARS</u>	<u>YEARS</u>	<u>YEARS</u>	<u>YEARS</u>

16. To what extent would you say the condition of the IOWA ECONOMY affects this newspaper's profitability? (Circle the appropriate response):

1	2	3	4	5
<u>NO</u>	<u>ALMOST</u>	A	<u>MODERATE</u>	<u>VERY</u>
<u>EFFECT</u>	<u>NO</u>	<u>LIMITED</u>	<u>EFFECT</u>	<u>STRONG</u>
	<u>EFFECT</u>	<u>EFFECT</u>		<u>EFFECT</u>

17. To what extent would you say the condition of the LOCAL ECONOMY affects this newspaper's profitability? (Circle the appropriate response):

1	2	3	4	5
<u>NO</u>	<u>ALMOST</u>	A	<u>MODERATE</u>	<u>VERY</u>
<u>EFFECT</u>	<u>NO</u>	<u>LIMITED</u>	<u>EFFECT</u>	<u>STRONG</u>
	<u>EFFECT</u>	<u>EFFECT</u>		<u>EFFECT</u>

18. To what extent would you say the condition of the NEWSPAPER INDUSTRY IN GENERAL affects this newspaper's profitability? (Circle the appropriate response):

1	2	3	4	5
<u>NO</u>	<u>ALMOST</u>	A	<u>MODERATE</u>	<u>VERY</u>
<u>EFFECT</u>	<u>NO</u>	<u>LIMITED</u>	<u>EFFECT</u>	<u>STRONG</u>
	<u>EFFECT</u>	<u>EFFECT</u>		<u>EFFECT</u>

Section II:

BUSINESS ENTERPRISES

NOTE: The questions in this section seek YOUR opinion. There is NO right or wrong answer.

19. Below is a list of enterprises (business emphases or sidelines) in which some community newspapers are engaged.

For each enterprise in which this newspaper is currently engaged, please INDICATE HOW IMPORTANT you consider the enterprise to be to your total newspaper operation. Use the following system to rate each enterprise:

- 0 = DOES NOT APPLY (This newspaper is not currently engaged in this enterprise)
- 1 = Enterprise is NOT AT ALL IMPORTANT
- 2 = Enterprise is NOT VERY IMPORTANT
- 3 = Enterprise is SOMEWHAT IMPORTANT
- 4 = Enterprise is QUITE IMPORTANT
- 5 = Enterprise is EXTREMELY IMPORTANT

<u>TYPE OF ENTERPRISE</u>	DOES	NOT AT		EXTREMELY		
	NOT APPLY	ALL IM- PORTANT	PORTANT	3	4	5
A. Produce a NEWSPAPER	0	1	2	3	4	5
B. Commercial WEB PRINTING (<u>This</u> newspaper has <u>its own</u> web press for in-house or commercial use)	0	1	2	3	4	5
C. OWNERSHIP IN CENTRAL WEB PRINTING PLANT (<u>this</u> newspaper is a <u>part-</u> <u>owner</u> of a web printing facility)	0	1	2	3	4	5
D. General COMMERCIAL PRINTING	0	1	2	3	4	5
E. SPECIALTY Commercial PRINTING (Eg., cookbooks, business forms, silk screening, etc.)	0	1	2	3	4	5
(If you have a printing specialty, please list your specialty): _____						
F. RESALE OF PRINTING ITEMS (Dealer for wedding invitations, business cards, magnetic signs, engraved signs, business forms, etc.)	0	1	2	3	4	5

(Question 19, continued)

<u>TYPE OF ENTERPRISE</u>	DOES	NOT AT		EXTREMELY		
	NOT APPLY	ALL	IM- PORTANT	3	4	5
G. NON-DUPLICATING SHOPPER (Shopper and newspaper circulation <u>together</u> give advertisers "total market coverage.")	0	1	2	3	4	5
H. STAND-ALONE SHOPPER (Shopper is a full-circulation shopper, is distributed separately from the newspaper and its circulation may overlap (duplicate) at least some of your newspaper's circulation)	0	1	2	3	4	5
I. COMMON SHOPPER SUPPLEMENT (This newspaper and a number of other papers carry a common shopper supplement in the newspaper; each paper contributes to the shopper's sales and production in some way)	0	1	2	3	4	5
J. OTHER TYPE OF SHOPPER (please specify):	0	1	2	3	4	5
K. PUBLISH OTHER PUBLICATIONS (magazines, special interest newspapers, a regular business newspaper, books, etc.)	0	1	2	3	4	5
L. PUBLISH OTHER NEWSPAPERS (<u>This</u> newspaper has branched out to buy or start other newspapers.)	0	1	2	3	4	5
M. OFFICE SUPPLIES	0	1	2	3	4	5
N. ADVERTISING AGENCY	0	1	2	3	4	5
O. GRAPHIC SERVICES (Typesetting, design services, commercial art services, etc.)	0	1	2	3	4	5

(Question 19, continued)		DOES NOT APPLY	NOT ALL IMPORTANT	AT IM- PORTANT	3	EXTREMELY IMPORTANT	4	5
<u>TYPE OF ENTERPRISE</u>		0	1	2	3	4	5	
P.	COMPUTER MAILING/ DIRECT MAIL (Sell mailing lists or services)	0	1	2	3	4	5	
Q.	CONSULTING SERVICES	0	1	2	3	4	5	
R.	NEWSPAPER BROKERAGE/ BUSINESS BROKERAGE	0	1	2	3	4	5	
S.	COMMERCIAL PHOTOGRAPHY (weddings, portraits, etc.)	0	1	2	3	4	5	
T.	PRODUCE VIDEO FILMS	0	1	2	3	4	5	
U.	RENT VIDEO FILMS, EQUIPMENT	0	1	2	3	4	5	
V.	PHOTO/FILM PROCESSING	0	1	2	3	4	5	
W.	CABLE TV/LOW POWER TV (Own or operate channel or system, produce programs, write text, sell advertising for, etc.)	0	1	2	3	4	5	
X.	COMPUTER INFORMATION SERVICES	0	1	2	3	4	5	
Y.	NEWSPAPER EQUIPMENT SALES/ (and/or) COMPUTER SALES	0	1	2	3	4	5	
Z.	COMPUTER SOFTWARE SALES/ COMPUTER SUPPLY SALES	0	1	2	3	4	5	
AA.	GRAPHIC ARTS SUPPLY SALES	0	1	2	3	4	5	
OTHER RETAILING ENTERPRISE (Please specify):								
BB.	_____	0	1	2	3	4	5	
CC.	_____	0	1	2	3	4	5	
OTHER (Non-retailing) ENTERPRISE (of a type not listed) (Please specify):								
DD.	_____	0	1	2	3	4	5	
EE.	_____	0	1	2	3	4	5	

20. Which, if any, of the enterprises listed below did this newspaper ADD to or DROP from its operations SINCE JANUARY 1, 1980?

Please consider each enterprise listed. CHECK the appropriate blank to indicate whether this newspaper has ADDED the enterprise, DROPPED the enterprise, or if it has NEITHER added nor dropped a particular enterprise (example, this newspaper did not begin publication on or after 1-1-80, nor did it cease to publish since that date).

For all enterprises that this newspaper has added or dropped, please MARK THE APPROPRIATE SPACE and indicate in two or three words the ONE MAIN REASON for adding or dropping an enterprise.

- A. Produce a NEWSPAPER ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- B. Commercial WEB Printing ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- C. CENTRAL PLANT Printing ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- D. General COMMERCIAL Printing ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- E. SPECIALTY PRINTING ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- F. RESALE OF PRINTING ITEMS ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- G. NON-DUPLICATING SHOPPER ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- H. STAND-ALONE SHOPPER ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____

(Question 20, continued):

- I. COMMON SHOPPER SUPPLEMENT ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- J. OTHER TYPE OF SHOPPER ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- K. OTHER PUBLICATIONS ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- L. OTHER NEWSPAPERS ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- M. OFFICE SUPPLIES ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- N. ADVERTISING AGENCY ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- O. GRAPHIC SERVICES ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- P. COMPUTER MAILING/
DIRECT MAILING SERVICES ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- Q. CONSULTING SERVICES ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____
- R. NEWSPAPER BROKERAGE/
BUSINESS BROKERAGE ADDED DROPPED NEITHER
Main reason for
adding or dropping: _____

(Question 20, continued):

S. COMMERCIAL PHOTOGRAPHY ADDED DROPPED NEITHERMain reason for
adding or dropping: _____T. PRODUCE VIDEO FILMS ADDED DROPPED NEITHERMain reason for
adding or dropping: _____U. RENT VIDEOS, VIDEO EQUIPMENT ADDED DROPPED NEITHERMain reason for
adding or dropping: _____V. PHOTO/FILM PROCESSING ADDED DROPPED NEITHERMain reason for
adding or dropping: _____W. CABLE TV/LOW POWER TV ADDED DROPPED NEITHERMain reason for
adding or dropping: _____X. COMPUTER INFORMATION SERVICES ADDED DROPPED NEITHERMain reason for
adding or dropping: _____Y. NEWSPAPER EQUIPMENT/
(and/or) COMPUTER SALES ADDED DROPPED NEITHERMain reason for
adding or dropping: _____Z. COMPUTER SOFTWARE/
COMPUTER SUPPLY SALES ADDED DROPPED NEITHERMain reason for
adding or dropping: _____AA. GRAPHIC ARTS SUPPLIES SALES ADDED DROPPED NEITHERMain reason for
adding or dropping: _____OTHER ENTERPRISE(S) (Please specify):BB. _____ ADDED DROPPED
(Other, specify)Main reason for
adding or dropping: _____

(Question 20, continued):

CC. _____ ADDED _____ DROPPED
 (Other, specify)

Main reason for adding or dropping: _____

DD. _____ ADDED _____ DROPPED
 (Other, specify)

Main reason for adding or dropping: _____

EE. _____ ADDED _____ DROPPED
 (Other, specify)

Main reason for adding or dropping: _____

21. Next, please RATE HOW SUCCESSFUL each of this newspaper's enterprises ARE or WERE. (Remember, we're asking YOUR OPINION. There are NO right or wrong "formula" answers.

Rate ALL the enterprises in which this newspaper has been engaged, regardless of whether the enterprise has been ADDED, DROPPED or RETAINED since January 1, 1980.

USE THE FOLLOWING RATING SYSTEM. (Circle the appropriate response:

- 0 = CAN'T TELL or DOES NOT APPLY
- 1 = VERY UNSUCCESSFUL
- 2 = SOMEWHAT UNSUCCESSFUL
- 3 = NEITHER SUCCESSFUL NOR UNSUCCESSFUL
- 4 = SOMEWHAT SUCCESSFUL
- 5 = VERY SUCCESSFUL

	CAN'T TELL/ DOES NOT APPLY	VERY UNSUCCESSFUL	2	3	4	VERY SUCCESSFUL
<u>ENTERPRISE:</u>	0	1	2	3	4	5
A. Produce a NEWSPAPER	0	1	2	3	4	5
B. Commercial WEB Printing	0	1	2	3	4	5
C. CENTRAL PLANT Printing	0	1	2	3	4	5

(Question 21, continued): (Circle the appropriate response):	CAN'T TELL/ DOES NOT APPLY	VERY UNSUCCESSFUL	2	3	4	VERY SUCCESSFUL
<u>ENTERPRISE:</u>	0	1	2	3	4	5
D. General COMMERCIAL Printing	0	1	2	3	4	5
E. SPECIALTY PRINTING	0	1	2	3	4	5
F. RESALE OF PRINTING Items	0	1	2	3	4	5
G. NON-DUPLICATING SHOPPER	0	1	2	3	4	5
H. STAND-ALONE SHOPPER	0	1	2	3	4	5
I. COMMON SHOPPER SUPPLEMENT	0	1	2	3	4	5
J. OTHER TYPE OF SHOPPER	0	1	2	3	4	5
K. OTHER PUBLICATIONS	0	1	2	3	4	5
L. OTHER NEWSPAPERS	0	1	2	3	4	5
M. OFFICE SUPPLIES	0	1	2	3	4	5
N. ADVERTISING AGENCY	0	1	2	3	4	5
O. GRAPHIC SERVICES	0	1	2	3	4	5
P. COMPUTER MAIL/ DIRECT MAIL SERVICES	0	1	2	3	4	5
Q. CONSULTING SERVICES	0	1	2	3	4	5
R. NEWSPAPER BROKERAGE/ BUSINESS BROKERAGE	0	1	2	3	4	5
S. COMMERCIAL PHOTOGRAPHY	0	1	2	3	4	5
T. PRODUCE VIDEO FILMS	0	1	2	3	4	5
U. RENT VIDEOS, VIDEO EQUIPMENT	0	1	2	3	4	5
V. PHOTO/FILM PROCESSING	0	1	2	3	4	5
W. CABLE TV/LOW POWER TV	0	1	2	3	4	5

(Question 21, continued):	CAN'T TELL/ DOES NOT APPLY					
(Circle the appropriate response):	VERY UNSUCCESSFUL			VERY SUCCESSFUL		
<u>ENTERPRISE:</u>	0	1	2	3	4	5
X. COMPUTER INFORMATION SERVICES	0	1	2	3	4	5
Y. NEWSPAPER EQUIPMENT/ COMPUTER SALES	0	1	2	3	4	5
Z. COMPUTER SOFTWARE/ COMPUTER SUPPLY SALES	0	1	2	3	4	5
AA. GRAPHIC ARTS SUPPLIES	0	1	2	3	4	5
BB. _____ (Other, please specify)	0	1	2	3	4	5
CC. _____ (Other, please specify)	0	1	2	3	4	5
DD. _____ (Other, please specify)	0	1	2	3	4	5
EE. _____ (Other, please specify)	0	1	2	3	4	5

22. To what extent, if any, would you say you think about adding some type of new enterprise (or business sideline) to this newspaper's operations? (Circle the appropriate response):

1	2	3	4	5
ALMOST <u>NOT AT</u> <u>ALL</u>	VERY <u>LITTLE</u>	A LITTLE	<u>QUITE</u> <u>A BIT</u>	ALMOST <u>ALL THE</u> <u>TIME</u>

23. If you DO think at times about adding some type of new enterprise or sideline to this newspaper's operations, WHAT TYPE of enterprise do you most seriously think about adding? (Answer as briefly as possible. If you NEVER think about adding an enterprise at this newspaper, SKIP to Question 26):

24. What is the ONE MAIN REASON you think about adding this enterprise? (Be brief; 2 or 3 words, if possible):
-

25. HOW LIKELY do you think this newspaper is to ADD this or some other enterprise WITHIN THE NEXT 3 YEARS? (Please circle the appropriate response):

1	2	3	4	5
<u>EXTREMELY</u>	<u>FAIRLY</u>	<u>SOMEWHAT</u>	<u>FAIRLY</u>	<u>EXTREMELY</u>
<u>UNLIKELY</u>	<u>UNLIKELY</u>	<u>LIKELY</u>	<u>LIKELY</u>	<u>LIKELY</u>
to add an	to add an	to add	to add	to add
enterprise	enterprise	an enter- prise	an enter- prise	an en- terprise

26. To what extent, if any, do you think about having fewer enterprises to concentrate on (thus dropping some of this newspaper's present operations)? (Circle the appropriate response):

1	2	3	4	5
<u>ALMOST</u>	<u>VERY</u>	<u>A</u>	<u>QUITE</u>	<u>ALMOST</u>
<u>NOT AT</u>	<u>LITTLE</u>	<u>LITTLE</u>	<u>A BIT</u>	<u>ALL THE</u>
<u>ALL</u>				<u>TIME</u>

27. If you DO think at times about dropping some type of enterprise or sideline of this newspaper's operations, WHAT TYPE of enterprise do you most seriously think about dropping? (Answer as briefly as possible. If you NEVER think about dropping an enterprise at this newspaper, SKIP to Question 30):
-

28. What is the ONE MAIN REASON you think about DROPPING this enterprise. (Be brief; 2 or 3 words, if possible):
-

29. HOW LIKELY do you think this newspaper is to DROP this or some other enterprise WITHIN THE NEXT 3 YEARS? (Please circle the appropriate response):

1	2	3	4	5
<u>EXTREMELY</u>	<u>FAIRLY</u>	<u>SOMEWHAT</u>	<u>FAIRLY</u>	<u>EXTREMELY</u>
<u>UNLIKELY</u>	<u>UNLIKELY</u>	<u>LIKELY</u>	<u>LIKELY</u>	<u>LIKELY</u>
to drop an	to drop an	to drop	to drop	to drop an
enterprise	enterprise	an enterprise	an enterprise	enterprise

30. If you were to try to prepare a 1- to 3-year business plan for this newspaper, HOW MUCH UNCERTAINTY would you say each of the following factors would contribute to your ability to make reliable predictions about the future of this newspaper?

For example, if you think this newspaper's relationship with its suppliers is extremely stable (extremely certain to continue), you would CIRCLE the number 1, indicating "ALMOST NO UNCERTAINTY."

If, on the other hand, you think this newspaper's relationship with its suppliers is extremely uncertain, you would circle the number 5, indicating "ALMOST TOTALLY UNCERTAIN."

Use the rating system at right.

(REMEMBER: It is YOUR OPINION that counts. There are NO right or wrong answers to these questions.)

(Circle the appropriate number):

	ALMOST NO UNCERTAINTY 1	NOT MUCH UNCER- TAINTY 2	SOME UNCER- TAINTY 3	QUITE A BIT OF UNCER- TAINTY 4	ALMOST TOTAL UNCER- TAINTY 5
A. <u>EMPLOYEES</u>	1	2	3	4	5
B. <u>SUPPLIERS,</u> <u>JOBBER</u> (Example: Web printer if not done in-house; insurer, etc.)	1	2	3	4	5
C. <u>CUSTOMERS</u> (Advertisers, subscribers, etc.)	1	2	3	4	5
D. <u>COMPETITORS</u>	1	2	3	4	5
E. <u>GOVERNMENT</u>	1	2	3	4	5
F. <u>LOCAL ECONOMY</u>	1	2	3	4	5
G. <u>STATE, U.S., or</u> <u>OTHER ECONOMIC</u> <u>CONDITIONS</u>	1	2	3	4	5
H. <u>CHANGING</u> <u>TECHNOLOGY</u>	1	2	3	4	5

31. The following are some possible business strategies that Iowa community newspapers might employ in an effort to remain strong and profitable. EVALUATE each possible strategy using the following evaluation system. (Circle the appropriate response for each possible strategy):

- 0 = NO OPINION
 1 = EXTREMELY BAD STRATEGY
 2 = FAIRLY BAD STRATEGY
 3 = NEITHER BAD NOR GOOD STRATEGY
 4 = FAIRLY GOOD STRATEGY
 5 = EXTREMELY GOOD STRATEGY

(Circle the appropriate response):	<u>NO</u> OPINION	<u>EXTREMELY</u> <u>BAD</u> STRATEGY	<u>NEITHER</u> <u>BAD</u> <u>NOR</u> <u>GOOD</u>	<u>EXTREMELY</u> <u>GOOD</u> STRATEGY		
STRATEGY:	0	1	2	3	4	5
A. <u>EXPAND</u> <u>ADVERTISING</u> <u>SALES</u> <u>INTO</u> new or underdeveloped markets in <u>OUTLYING</u> <u>COMMUNITIES</u>	0	1	2	3	4	5
B. Concentrate on serving this newspaper's <u>PRESENT</u> advertisers and do <u>NOT</u> jeopardize their loyalty by soliciting ads from other cities	0	1	2	3	4	5
C. <u>ADD</u> general <u>COMMERCIAL</u> <u>PRINTING</u>	0	1	2	3	4	5
D. <u>ELIMINATE</u> general <u>COMMERCIAL</u> <u>PRINTING</u>	0	1	2	3	4	5
E. <u>ADD</u> or develop a <u>PRINTING</u> <u>SPECIALTY</u> (Examples: cookbooks, business forms, silk screening, etc.)	0	1	2	3	4	5
F. <u>ELIMINATE</u> <u>PRINTING</u> <u>SPECIALTY</u>	0	1	2	3	4	5
G. <u>ADD</u> or <u>EXPAND</u> <u>WEB</u> <u>PRINTING</u> services	0	1	2	3	4	5

(Question 31; continued):

(Circle the appropriate response):	NO OPINION	EXTREMELY BAD STRATEGY	2	NEITHER BAD NOR GOOD	3	EXTREMELY GOOD STRATEGY	4	5
STRATEGY:	0	1	2	3	4	5		
<hr/>								
H. <u>CUT BACK or ELIMINATE</u> <u>WEB PRINTING</u> services	0	1	2	3	4	5		
I. <u>KEEP DOING just</u> <u>WHAT YOU'RE</u> <u>DOING NOW</u>	0	1	2	3	4	5		
J. <u>DIVERSIFY; enter</u> <u>an UNRELATED</u> <u>BUSINESS</u>	0	1	2	3	4	5		
K. <u>ADD OFFICE SUPPLY</u> <u>SALES</u>	0	1	2	3	4	5		
L. <u>ELIMINATE OFFICE</u> <u>SUPPLY SALES</u>	0	1	2	3	4	5		
M. Offer <u>CONSULTING</u> <u>SERVICES</u>	0	1	2	3	4	5		
N. <u>BUY or START</u> <u>ANOTHER NEWSPAPER</u>	0	1	2	3	4	5		
O. <u>BUY or START</u> <u>A SPECIALTY</u> <u>PUBLICATION</u> (A business paper, a magazine, etc.)	0	1	2	3	4	5		
P. <u>CUT BACK or</u> <u>ELIMINATE this</u> <u>NEWSPAPER OPERATION</u>	0	1	2	3	4	5		
Q. <u>START an</u> <u>ADVERTISING</u> <u>AGENCY</u>	0	1	2	3	4	5		
R. Offer <u>GRAPHIC</u> <u>SERVICES</u> (Examples: typesetting, design, layout services, etc.)	0	1	2	3	4	5		

(Question 31, continued):

(Circle the appropriate response):	NO OPINION	EXTREMELY BAD STRATEGY	2	NEITHER BAD NOR GOOD	3	EXTREMELY GOOD STRATEGY	4	5
STRATEGY:	0	1	2	3	4	5		
S. Offer <u>CONSULTING SERVICES</u>	0	1	2	3	4	5		
T. Provide <u>COMPUTER SERVICES</u> (mailing, software development, record keeping, etc)	0	1	2	3	4	5		
U. Market <u>COMPUTER SUPPLIES/SOFTWARE</u>	0	1	2	3	4	5		
V. Market <u>COMPUTER EQUIPMENT</u> (and/or) <u>NEWSPAPER EQUIPMENT</u>	0	1	2	3	4	5		
W. Offer <u>CABLE TV</u> and/or <u>LOW POWER TV</u>	0	1	2	3	4	5		
X. Do <u>COMMERCIAL PHOTOGRAPHY</u>	0	1	2	3	4	5		
Y. Do <u>FILM PROCESSING</u>	0	1	2	3	4	5		
Z. Produce <u>VIDEO FILMS</u>	0	1	2	3	4	5		
AA. Rent/sell <u>VIDEO FILMS/EQUIPMENT</u>	0	1	2	3	4	5		
BB. Work with <u>COMMUNITY DEVELOPMENT</u> efforts to attract new jobs	0	1	2	3	4	5		
CC. Keep <u>PAY RAISES LOW</u> to control costs	0	1	2	3	4	5		
DD. <u>INCREASE SALARIES</u> to assure quality	0	1	2	3	4	5		
EE. <u>TRIM STAFF NUMBERS</u> to control costs	0	1	2	3	4	5		
FF. <u>INCREASE STAFF</u> to expand operations	0	1	2	3	4	5		
GG. Provide additional <u>STAFF TRAINING</u>	0	1	2	3	4	5		

Section III.

BUSINESS RECORDS, PROCEDURES

32. HOW OFTEN are each of the following business records prepared for this newspaper?

Please use the following system to indicate your response:

0 = NEVER; (This record is NOT used by this newspaper)

1 = OCCASIONALLY; (Record is prepared sometimes, but NOT at routinely scheduled intervals)

2 = ANNUALLY

3 = SEMI-ANNUALLY

4 = QUARTERLY

5 = MONTHLY

6 = OTHER SET INTERVAL (Record is routinely prepared on a regular schedule NOT described by any of the above response

(Circle the appropriate response):

	0	1	2	3	4	5	6
A. <u>BALANCE SHEET</u>	0	1	2	3	4	5	6
B. <u>INCOME STATEMENT</u>	0	1	2	3	4	5	6
C. <u>CASH FLOW ANALYSIS</u>	0	1	2	3	4	5	6
D. <u>FORMAL (Written) BUDGET for the TOTAL OPERATION of this newspaper</u>	0	1	2	3	4	5	6
E. <u>FORMAL (Written) BUDGET for SPECIFIC DEPARTMENTS of this newspaper</u>	0	1	2	3	4	5	6
F. <u>FORMAL (Written) ONE-MONTH SALES FORECAST</u>	0	1	2	3	4	5	6
G. <u>INFORMAL (NOT Written) ONE-MONTH SALES FORECAST</u>	0	1	2	3	4	5	6
H. <u>FORMAL (Written) 6- TO 12-MONTH SALES FORECAST</u>	0	1	2	3	4	5	6
I. <u>INFORMAL (NOT Written) 6- TO 12-MONTH SALES FORECAST</u>	0	1	2	3	4	5	6

33. Does this newspaper have a written LONG RANGE (at least 1-3 year) BUSINESS PLAN? (Circle the appropriate response):

0 1
NO YES

34. Does this newspaper have an UNwritten LONG RANGE (at least 1-3 year) BUSINESS PLAN? (Circle the appropriate response):

0 1
NO YES

35. HOW OFTEN do YOU find time to do each of the following?

Use the following system to indicate your response:

- 0 = NEVER
- 1 = RARELY (LESS THAN 25 percent of the time)
- 2 = SOMETIMES (AT LEAST 25 percent of the time, but LESS THAN 75 percent of the time)
- 3 = USUALLY (75 percent of the time OR MORE)
- 4 = ALWAYS

(Please Circle the appropriate response for each item):

<u>NEVER</u>	<u>RARELY</u>	<u>SOME- TIMES</u>	<u>USUALLY</u>	<u>ALWAYS</u>
0	1	2	3	4

A. SHORT-TERM
PLANNING
 (planning for
1 day to
1 week
at a time)?

0 1 2 3 4

B. INTERMEDIATE
PLANNING
 (planning for
MORE than a
week, UP TO
3 months)?

0 1 2 3 4

C. LONG-RANGE
PLANNING
 (planning for
MORE THAN
3 months)?

0 1 2 3 4

36. Do you find your PERSONAL PLANNING time VALUABLE or NOT VALUABLE? Use the following system to indicate your response. Circle the appropriate response for each question):

Use the system of answers at right for the items below):	0 DOES NOT APPLY	1 NO VALUE	2 NOT MUCH VALUE	3 SOME VALUE	4 QUITE VAL- UABLE	5 VERY VAL- UABLE
---	---------------------------	------------------	---------------------------	--------------------	-----------------------------	----------------------------

A. <u>PERSONAL SHORT-TERM PLANNING</u> (1 day to 1 week)	0	1	2	3	4	5
B. <u>PERSONAL INTERMEDIATE PLANNING</u> (more than 1 week, up to 3 months)	0	1	2	3	4	5
C. <u>PERSONAL LONG-RANGE PLANNING</u> (More than 3 months)	0	1	2	3	4	5

Section IV:
PERSONNEL

37. As nearly as you can recall, what was the AVERAGE TOTAL NUMBER OF EMPLOYEES at this newspaper for the month of June during the following years?

A. <u>FOR JUNE,</u> <u>1988?</u>	_____	EMPLOYEES IN <u>JUNE, 1988</u>
B. <u>FOR JUNE,</u> <u>1984?</u>	_____	EMPLOYEES IN <u>JUNE, 1984</u>
C. <u>FOR JUNE,</u> <u>1980?</u>	_____	EMPLOYEES IN <u>JUNE, 1980</u>

38. As nearly as you can recall, IN JUNE OF 1988, HOW MANY EMPLOYEES did this newspaper have in EACH of the following DEPARTMENTS:

A. <u>NEWS/EDITORIAL:</u>	_____	<u>FULL TIME</u> News/Editorial (6-88)
	_____	<u>PART TIME</u> News/Editorial (6-88)

21.

(Question 38, continued)

NUMBER of employees in this
department in June, 1988:

- B. ADVERTISING: _____ FULL TIME Advertising (6-88)
 _____ PART TIME Advertising (6-88)
- C. PRODUCTION:
 (Typesetters,
 paste-up, layout
 help, production
 supervisors,
 printers, etc) _____ FULL TIME Production (6-88)
 _____ PART TIME Production (6-88)
- D. COLLEGE-
 TRAINED:
 (Employees with
 a 2-year or
 4-year college
 degree) _____ FULL TIME College-Trained (6-88)
 _____ PART TIME College-Trained (6-88)

39. Thinking back to JUNE OF 1984, as nearly as you can recall,
HOW MANY EMPLOYEES did this newspaper have in EACH of the
 following DEPARTMENTS:

- A. NEWS/EDITORIAL: _____ FULL TIME News/Editorial (6-84)
 _____ PART TIME News/Editorial (6-84)
- B. ADVERTISING: _____ FULL TIME Advertising (6-84)
 _____ PART TIME Advertising (6-84)
- C. PRODUCTION:
 (Typesetters,
 paste-up, layout
 help, production
 supervisors,
 printers, etc) _____ FULL TIME Production (6-84)
 _____ PART TIME Production (6-84)

(Question 39, continued) NUMBER of employees in JUNE, 1984

D. COLLEGE-
TRAINED:

(Employees with
a 2-year or
4-year college
degree)

_____ FULL TIME College-Trained (6-84)

_____ PART TIME College-Trained (6-84)

40. Still earlier, IN JUNE OF 1980, as nearly as you can recall,
HOW MANY EMPLOYEES did this newspaper have in EACH of the
following DEPARTMENTS:

A. NEWS/EDITORIAL: _____ FULL TIME News/Editorial (6-80)

_____ PART TIME News/Editorial (6-80)

B. ADVERTISING: _____ FULL TIME Advertising (6-80)

_____ PART TIME Advertising (6-80)

C. PRODUCTION:

(Typesetters,
paste-up, layout
help, production
supervisors,
printers, etc)

_____ FULL TIME Production (6-80)

_____ PART TIME Production (6-80)

D. COLLEGE-
TRAINED:

(Employees with
a 2-year or
4-year college
degree)

_____ FULL TIME College-Trained (6-80)

_____ PART TIME College-Trained (6-80)

Section V: VERY IMPORTANT: This section does NOT ask
SALES TRENDS: for specific sales numbers. It seeks only
to identify TRENDS. Please read and answer
each question carefully.

41. In the table below, please indicate the year-to-year change for each item mentioned. A value of 100 has been assigned to the base year 1981. From this starting point, COMPARE 1983 to 1981. Then COMPARE 1985 to 1981. Finally, COMPARE 1987 to 1981 for each of the aspects listed.

For example, if sales in 1983 were 5% above 1981 sales, you would put 105 in the second column; if 1983 sales were 5% below 1981 sales, you would put 95 in the second column, and so forth. REMEMBER to compare EACH of the other two years (1985 and 1987) TO 1981.

(If you do not have access to records back to 1981, please use your first available odd-numbered year as the base year.)

NOTE: IF AN ENTERPRISE DOES NOT APPLY to this newspaper,
LEAVE THE SPACES FOR THAT ENTERPRISE BLANK and go on
to the next item.

	<u>1981</u>	<u>1983</u>	<u>1985</u>	<u>1987</u>
A. This newspaper operation's <u>SALES TREND</u>				
(Compare <u>TOTAL SALES</u> to <u>1981</u> Total Sales):	<u>100</u>	_____	_____	_____
B. This newspaper's <u>ADVERTISING TREND</u>				
(Compare <u>TOTAL ADVERTISING SALES</u> to <u>1981</u> Total Advertising Sales):	<u>100</u>	_____	_____	_____
C. This newspaper's <u>CIRCULATION TREND</u>				
(Compare <u>NUMBER OF PAID SUBSCRIBERS</u> to number of Paid Subscribers in <u>1981</u>):	<u>100</u>	_____	_____	_____

42. If you were just starting out in the community newspaper business in Iowa, do you think the opportunity to succeed would be greater than, less than or about the same as you have experienced in community journalism? (Check one):

- | | | | | |
|----------------|-----------------|-----------------|-----------------|-------------|
| 5 | 4 | 3 | 2 | 1 |
| <u>MUCH</u> | <u>SLIGHTLY</u> | <u>ABOUT</u> | <u>SLIGHTLY</u> | <u>MUCH</u> |
| <u>GREATER</u> | <u>GREATER</u> | <u>THE SAME</u> | <u>LESS</u> | <u>LESS</u> |
| <u>NOW</u> | <u>NOW</u> | <u>NOW</u> | <u>NOW</u> | <u>NOW</u> |

43. What ONE PIECE OF ADVICE would you give to other publishers that would help them survive in the community newspaper business through the next decade?

Section VI:
DEMOGRAPHICS:

44. Your position (Check one):

- Owner/publisher
- Non-owner/publisher
- Managing editor

45. How long have you worked in the newspaper business?

_____ YEARS _____ MONTHS

46. How long have you worked at this newspaper?

_____ YEARS _____ MONTHS

47. How long have you been publisher of this newspaper?

_____ YEARS _____ MONTHS

48. How long have you lived in Iowa?

_____ YEARS _____ MONTHS

49. What was your age on your last birthday? _____ YEARS
50. Gender (Circle the appropriate response): MALE FEMALE
51. Population of the community in which this newspaper is
located:

POPULATION
52. Newspaper publishing frequency is (Check one):
____ Once a week
____ Two to four times a week
____ Five or more times a week
____ Other (Please specify): _____
53. Average TOTAL PAID CIRCULATION of one issue of this
newspaper--excluding Sunday editions for dailies. (Round
off to the nearest hundred):

TOTAL PAID CIRCULATION

Thank you for completing this survey. Please mail your completed survey to me IMMEDIATELY at the following address:

JOHN NEIBERGALL, #3 HAMILTON HALL, IOWA STATE UNIVERSITY,
AMES, IOWA 50011

Your assistance with this survey will be extremely beneficial to community newspaper publishers in Iowa and Nebraska ("pilot" test respondents for this survey). All respondents will receive summary results after tabulations have been completed. Your participation will be extremely helpful to me in my graduate research.

Thank you once again for responding. Special thanks to the Iowa Newspaper Association and the Iowa Newspaper Foundation for funding and assistance with this survey, to its member newspapers, to INA Executive Director Bill Monroe, to the INA publishers who helped provide direction for this research and to the Nebraska Press Association, to Jim Raglin, NPA Executive Director and to the NPA publishers and managing editors for participating in pre-testing this survey.

APPENDIX C: COVER LETTER

John D. Neibergall
 Room 3 Hamilton Hall
 Iowa State University
 Ames, Iowa 50011
 (515) 294-7704

August 15, 1988

Dear Iowa Newspaper Association Publisher or Managing Editor:

As a former owner-publisher of four Iowa community newspapers, I'm concerned about the future of community weekly and daily newspapers. That is why I am conducting research that I think may help community newspapers survive and grow stronger in the years ahead.

I am no longer in the business; I'm a master's degree candidate in journalism at Iowa State University. This research is part of my degree requirements. It is also of great interest to the INA and is being funded by the Iowa Newspaper Foundation.

Because I believe my research will be helpful to you and to the Iowa Newspaper Association, I'm asking you to take 30 MINUTES or so to complete and return the enclosed questionnaire.

I know from experience that you are busy and that your time is precious. Still, I think this study is important enough to ask your help.

In return for your help, I'll see that you receive a summary of the survey findings. Initial results will also be shared with all who attend an Iowa Newspaper Foundation seminar survival strategies for community newspapers. The session will be held September 10 in Des Moines, during the weekend of the INA Fall Clinic. Watch the INA Confidential Bulletin for details!

The publisher or managing editor of every INA member newspaper is being asked to complete this survey. The participation of every newspaper is extremely important to assure that the survey results will be meaningful and helpful.

PLEASE COMPLETE AND RETURN THIS SURVEY BY or BEFORE AUGUST 25, 1988. For your convenience, a stamped, self-addressed envelope has been enclosed for your survey response.

IMPORTANT: Please be assured that the names of respondents, their newspapers and the communities they serve will be kept **STRICTLY CONFIDENTIAL**, and that none of the answers you provide will be associated with you or your newspaper or your community.

The number on the top of the survey form will be used as a "check-off," to determine which newspapers have responded and which need to be followed up to obtain the greatest possible response. Please don't wait to respond, however; time is of great

importance in preparing results for the September 10 discussion.

A pre-test of this survey by members of the Nebraska Press Association has indicated that the questionnaire can be completed in about 30 minutes. I'll hope you'll set aside those minutes today so that your response can be in the mail right away!

I want to gratefully acknowledge the help of the Iowa Newspaper Association and the Iowa Newspaper Foundation, Executive Director Bill Monroe and the INA staff for the tremendous support they've provided for this study.

Thanks, too, to the Nebraska Press Association, NPA Manager Jim Raglin and participating NPA member newspapers for their outstanding cooperation.

And thank YOU, Iowa publishers and managing editors, for your responses, too.

A reminder: Please complete and return the questionnaire by August 25, 1988 and mail it to me at Room 3 Hamilton Hall, Iowa State University, Ames, Iowa 50011.

Sincerely,

John Neibergall

APPENDIX D: REMINDER POSTCARD

August 29, 1988

Dear _____,

I've been hoping you would complete and return the Iowa Community Newspaper Survey that I recently mailed to you. Because the response of EVERY Iowa newspaper is important, I'm extending the deadline for you to return the survey, but please, complete it right away and mail it back to me. If you need another copy of the survey, please give me a call at (515) 294-7704. Thanks for your help!

Sincerely,

John Neibergall