

---

## COMMUNICATING FOR CHANGE

---

***"The illusion of communication is that it has been done and is complete."***

**- Anonymous**

Corporate changes in the last few years, including takeovers and mergers, downsizing, cost cutting and developments in technology have created tremendous pressures on management to keep the lines of communications open and their teams motivated and informed. The role of Corporate Affairs is to articulate the organisational communications policy and also design and implement organisational change programmes.

The overall communication policy has changed from being event oriented to being goal oriented. The challenge is to be able to help employees understand, contribute to, and identify with organisational objectives and problems. Organisations need to level with employees about negative, sensitive or controversial issues, and communicate important events and decisions as quickly as possible to all.

*What went wrong with your last systems implementation? Change programme? Reorganisation? New product launch? Marketing campaign?* For many companies, **faulty or ineffective internal communications** is the main culprit contributing to unrealised results in many corporate initiatives. Too often, managers and change leaders do not heed proven lessons regarding organisational communications. And by failing to plan and manage communications, their change initiatives don't gain the awareness, support, involvement, and commitment needed to succeed.

Consider the following situation in which a weak communications programme contributed to a company's costly failed venture: Market forces and a changing business climate mandated that one division of Lincoln Electric, an aerospace systems conglomerate, make immediate structure and process changes to its operations. Crucial to the change process was a communications programme that informed and enlisted support for the impending changes from middle managers and the overall workforce.

Changes were well designed, yet implementation was weak and desired results were never achieved. Ultimately, after several shifts in top management positions, the division was sold to a competitor at a loss. The competitor combined the division with a similar group of their own, and many jobs were lost or relocated as a result. Subsequent analysis identified the weak points of Lincoln Electric's change programme. **An ineffective communications programme topped the list!**

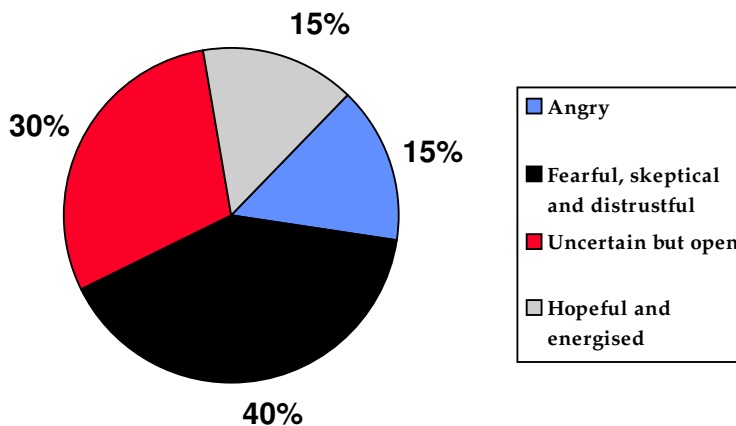
An increasingly competitive global marketplace combined with one of the most unpredictable economic periods, has served as a wake-up call for much of Corporate India. Corporations are making revolutionary changes that are redefining the work place, empowering employees, re-emphasizing focus on product quality and customer service, and intensifying efforts to improve

productivity. To be effective, employees need information, which has to be communicated the right way.

### Identifying Weak Organisational Communications

Employees in organisations, which have weak communications programme, are usually uninformed or confused about the reasons for the changes taking place around them. Further, they do not understand the responses or changes that are expected of them. Typically, morale and productivity are low. Managers complain that employees are acting contrary to company strategies and values. Conflicting messages are sent or heard. Messages are often one-way announcements or dictates of change. "Rumour mills" substitute for missing or confused communications. Inappropriate mechanisms are used to send vital messages. In one large corporation for example, a company newsletter was used to announce a major company restructuring, robbing employees of the opportunity to discuss these important changes and impacts with senior management.

#### LIKELY EMPLOYEE REACTION TO ANNOUNCED CORPORATE TRANSFORMATIONS



Critical to both the management and the communication of change is a strategy anchored in the realities of the marketplace. Once the strategy is identified even if it is only a rudimentary response, it is imperative to begin offering it to the workforce. Strategic communication is the answer.

Mistakes occur when communicators assume that their audience has common values, attitudes, and understanding of a situation. These can be compounded when the communicator fails to realise that their audience is besieged with other messages from many sources on many topics; new messages must compete with these other communications to capture "share of mind" and be heard.

Another source of weak communications is when organisations use inappropriate communications processes for the type of change programme

underway. Many business situations mandate an urgent and rapid response. However, managers attempt to develop widespread participation and enrolment in the change process. Widespread consensus and cooperation are difficult to develop in short time frames. In such situations, decisions need to be announced, changes powered through the organisation, and resistance acknowledged and managed in the context of the case for action. Employees will usually accept directives in lieu of involvement when shown that a crisis exists and the business situation demands fast action.

Organisations with weak communications usually have senior and middle managers that do not confer with supervisors or employees about intended changes. Discussions around key issues facing the company or individuals are avoided. Executive communications seldom reach front line staff and staff-level concerns, opinions, and suggestions seldom reach executive decision makers. There is often no communications management or communications plan. The current business scenario has been captured in Peter Drucker's words: "*Whom the gods would destroy, they first grant 40 years of business success.*" In recent years several top companies have either gone out of business or slid to the bottom.

#### **GOOD COMMUNICATIONS DON'T JUST HAPPEN; THEY'RE PLANNED**

Seven fundamental characteristics of good communications programmes:

**Good communications programmes ensure that the *context for the changes taking place is clear to involved individuals.*** The context of change usually includes an organisation's competitive situation, market position, strategies, goals, and tactics. For each person or group involved across an organisation, communicated messages should answer the "who, what, why, where, when, and how" regarding the change.

**Good communications *make clear the purpose or objective of the message.*** Is the communiqué to inform, clarify, motivate, obtain opinion or viewpoint, seek help, align, change behaviour, or create some other action? Further, the communicated message should directly relate to the audience. "This is how the change will affect you," must be part of the message. A top priority of recipients is communications that help them do their jobs. In order to be heard, messages need to be made relevant to each recipient's job or how they work. Communications by managers frequently fail to recognize this point.

**Good communications are *open, honest and carefully worded.*** They proactively share bad, as well as good news in a timely fashion. Timing is important, since most organisations have a "rumour mill" that rapidly carries even highly confidential information. While allowing that truth can be difficult to communicate in certain situations, the tone of the news can often be managed to fit the situation. For instance, a blunt announcement of layoffs would not be appropriate in an organisation noted for its caring culture. Instead, communications should show sensitivity to people's feelings and fully address their concerns. Establishing and communicating the context for change helps.

The credibility of the messenger strongly influences whether employees believe communications to be open and honest. Leaders who have consistently

demonstrated sincerity, openness, and respect for the company culture will be excellent messengers. Overall, first-level supervisors are the best messengers of communications to front-line staff. Employees prefer to hear news that affects them through their own departments before they hear it from other places within the organisation.

**Well-planned communications programmes ensure *consistency of the messages*.** Regardless of the source or media used for the communications, messages sent regarding change in the organisation must be consistent. Planning and care must be used to ensure that senior, middle, and front-line supervisors, regardless of method or timing, send the same messages. Having one set of managers talking about a change that "will" happen and others discussing options that "might" happen results in confusion, rumours, and produces morale problems.

**Good communications are *appropriately timed and synchronized with the stages of a change programme*.** Well-executed change programmes progress through an orderly set of steps and activities:

- Identifying the need for change
- Derivation of a workable solution
- Implementation

The communications linked with a change programme needs to recognize these stages and make the messages relevant and timed to coincide with the change programme stages. Initial messages should focus on:

- The need for change (the case for action)
- Information about the solution to be communicated
- Information on how this solution will be of importance to the audience

Communicators should remember that initial messages will need reinforcement and explanation. Questions will arise that need addressing and adequate time must be allowed for discussion and clarification. Good communications programmes can't be rushed.

**Communications programmes must include mechanisms for *two-way communications and feedback from the organisation*.** Employees must have an opportunity for face-to-face communications and discussion about the messages they are receiving. It is important for them to have the opportunity to ask questions; get additional information; express their opinions, concerns, and suggestions; and sometimes even vent or "blow off steam." The more complex and difficult the change, the more opportunities for discussion and dialogue are needed. Many communication channels common to corporations (e.g., newsletters, videos, memos, and training sessions) don't provide the opportunity for important feedback.

Studies have shown that communications from top management do not change behaviour nearly as well as communications or discussions from a direct supervisor or manager. Successful communications programmes ensure that first-line supervisors are adequately involved, well informed, and supported throughout organisational change. In addition, the programme

usually gives supervisors clear responsibility for communicating key information to their employees.

**Good communication programmes use *multiple channels, messengers, and mechanisms* to get their messages across.** The programme should account for the individual styles and attitudes of the recipients. Few programmes or project managers ask participants, "*What would you like to know?*" or "*How can we best communicate with you?*" Middle managers can often be poor conduits for upward and downward messages; they are a "sponge" for communications, absorbing, but not necessarily forwarding important information. Good communication programmes utilise a variety of channels, and often include direct contact between senior executives and front-line employees.

Some of the communications typically used in combination in a successful communications programme are:

- one-on-one sessions with line managers
- executive briefings and "Q&A" sessions
- team problem solving
- seminars and training sessions
- feedback and discussion forums
- speak-up programmes
- team meetings
- newsletters
- videos
- e-mail
- road shows
- best practice visits
- customer forums or focus groups
- coaching or counselling sessions

Every approach has its strengths and weaknesses that need to be weighed carefully in crafting a communications programme in each organisation.

#### **CALTEX INTEGRATION INTO CHEVRONTEXACO**

The merger of Chevron and Texaco in October 2001 created the second-largest US-based energy company. It also brought together three strong brands and three shared histories – Chevron, Texaco and Caltex. Over a six-month period, culminating in a series of employee Town Hall forums following Day One of the new ChevronTexaco, the communications team helped build and implement a comprehensive merger communications plan for Caltex across Asia, the Middle East and Africa.

This involved issues identification by market, internal and external stakeholder analysis and communications, in-country distribution preparation and readiness, brand communications, and responding to changing scenarios and needs resulting from the impact of the September 11th terrorist attacks in New York.

The launch of the new ChevronTexaco brand and communication of the Caltex brand's relationship to ChevronTexaco were all undertaken smoothly. Initial feedback from employees attending the Town Halls was positive. And work continues in the areas of brand-building and raising profile post-merger.

## **Getting Organised: The Communications Plan**

Excellent communication plans are anchored in the market situation, strategy, and vision for the organisation. A communications team should research and understand these areas and use them to explain why change is needed. Questions to be answered include, *"What do we expect will change in the external environment? What will be the impact on us if we change (or if we don't)? How will we respond? What will our planned changes mean to our markets, customers, and staff?"* These answers form the context for communications. Without context, changes and communications don't make sense and employees won't accept the changes. Context builds understanding and buy-in, and helps minimize misinterpretation and resistance.

A communications programme needs to convey the existing and future state of the organisation, and then personalise the changes to each set of recipients. *For example, how will each department or division be affected?*

The focus of a communications plan should be on the individuals or groups, internal or external to a business, which will be affected by the proposed changes. We call these individuals "stakeholders." The foundation of a communications programme is a stakeholder analysis.

A stakeholder analysis identifies each of the major stakeholders or stakeholder groups that will be affected by proposed changes, documents their interest or stake in the change, anticipates points of support and resistance, and lists key actions that can be taken in order to facilitate a smooth transition. Communications help develop understanding, create a positive climate, and build support for a successful change implementation.

When developing a communications plan to address an upcoming organisational change initiative, there are nine elements to consider:

**Receivers/stakeholders** - Whom are we trying to communicate with? Who are the stakeholders or groups of stakeholders affected in our change programme?

**Sender.** Who will be the communicators? Who will deliver the messages?

**Purpose of communication** - Why are we making this communication? What do we hope to accomplish? What is its purpose?

**Message.** What is the specific message that we want to transmit? Which tone is most appropriate? In crafting the message, have we taken into account what we know about the stakeholders?

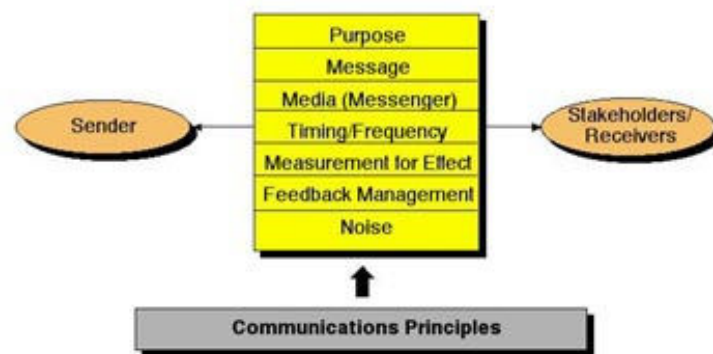
**Media.** How will we communicate? On paper? In person? Electronically?

**Timing and frequency.** When and how often will we communicate this message? Are there critical time frames that need to be adhered to? Do we need the news out by a certain date? Can we synchronize communications from different messengers or with other programmes?

**Measurements.** How will we measure or test the impact of our message? How can we ensure that the message was understood? Can we ensure that our communications are having the effect we want?

**Noise.** What factors will get in our way? What might distort our message or block the accurate receipt of our messages? How can we deal with this? What other programme messages compete with or contradict our messages?

**Feedback mechanisms.** How can we make our communications two-way? Can we do it face-to-face, or is there some other equally effective mechanism? What feedback do we need? What feedback do we expect? Which forums or communication vehicles will be used to gather feedback?



**Figure 1 - Communications Planning Model**

As you start to build your communications plan and fill in the details based on your stakeholder analysis, look for similarities across stakeholder groups, e.g., different stakeholder groups requiring the same message, media, and timing. Where possible, for the sake of efficiency, one communication can be developed and given.

### **Communications Principles; A Key Planning Element**

Effective communication programmes honour an organisation's communications principles. These principles represent the values and beliefs for communications within the company. They include such things as the intent, responsibility, approach, and frequency of communications.

*Typical communication principles include such statements as:*

- We will communicate messages regarding organisational change "seven times, seven different ways" (the "7x7" principle)
- Communications on strategy development and implementation mechanisms will be "two-way." Employee comments are encouraged and solicited by top management and supervisors
- Urgent messages will be originated by the president or one of the vice presidents. Middle management has responsibility for ensuring that everyone hears and understands
- The communications team will measure the effectiveness of each mechanism and message as part of our communications programme

- Multiple mechanisms will be provided to get employee messages to management (e.g., e-mail, Q&A board in cafeteria, lunches)
- Communications will be "open and honest." We will communicate what we know even when we don't have all the answers

Communications principles clarify the intent of the leaders of the company regarding the communications programme. They establish the rules for a communications programme. For the planners, these are vital tools that help refine plan contents and aid in implementation.

### **Implementation**

Communications are critical to organisational success and should be planned and managed throughout a change programme. Armed with a good communications plan, change leaders find it much easier to build awareness and understanding, engender support, enlist involvement, and create commitment to a change programme.

A communications plan without resources cannot be implemented. People are necessary to design, craft, deliver, and coordinate the communications. This can be a time consuming and skill-dependent process. Senior management must commit resources (including their own time), effort, and leadership. They must also provide funds for events and other media. Management should insist on feedback and measurement to ensure that the goals of the communications programme are being achieved and that they are getting value for the time and effort invested in communications.

### **Guidelines for Market Based Strategic Communications**

1. Create and communicate a clear and simple case for change based on market and customer realities
2. Clearly identify and communicate the market forces that the organisation faces in doing business
3. Formulate and communicate a responsive business plan
4. Outline the consequences of success and failure
5. Finally, tell and retell

Long-term challenge is to make internal communications a market based strategic process, influenced by the principles of continuous improvement.

### **10 Tips for Communicating Change**

Transition is inevitable, but exactly what you say and how you say it can make a major impact on how change is handled in your company.

While organisational change requires more than 10 tips, here are 10 key things to keep in mind when planning, announcing, implementing, and communicating a change initiative:

### **Article Tools**

1. **Remember that there's no one perfect way to communicate change.** Change is uncomfortable, and adapting to change is messy. Gather outside information, solicit perspectives, and adapt the approaches for your organisation and group.

2. **Start by asking yourself what exactly is changing and why.** Too many programmes are heavy on the jargon and light on the substance of what the buzz phrases mean in the day-to-day reality of the organisation's people. You have to make that link. For example, what does it mean when you say the organisation needs to be more responsive? What behaviours characterise a so-called flat organisation? Go to the root of what you're trying to achieve from an organisational behaviour perspective, and give the jargon life.
3. **Know what results you want, ideally, from both the change initiative and the communication programme or tactic.** What's the call to action for the communication programme? What's the call to action for the specific communication tactic? What systemic or operations changes are under way that provide the framework for the desired results and behaviours?
4. **Include communication strategists at the very beginning of the discussions about the change, on the strategic team from the start.** Too often, qualified communicators are involved after backlash is in full force, when the leaks and rumour mills are rampant. The corporate lawyer or the MBA with one or two classes in PowerPoint is not qualified to understand how the people of the organisation will respond to change and what information they'll need. Their particular expertise is most likely legal requirement and cost cutting, not communication.
5. **Share information with employees as soon as possible.** There's a real dilemma in public companies, where investor communication is a priority and employees hear about a merger or reorganisation on their car radio while commuting to work. Once fear and insecurity are heightened, you waste a lot of time getting back to a place of order, understanding, and productivity, and many people head for their desks to update résumés and to call employment recruiters.
6. **Keep in mind that quantity is fine, but quality and consistency are crucial.** Most CEOs and managers are quoted as saying, "You can't communicate too much," but you can communicate too much insignificant or insensitive information. You can't communicate too much significant, substantial information.
7. **Longevity.** Remember that a change effort starts with the announcement or a merger or change initiative. Many leaders and managers underestimate the length of time required by a change cycle. That's why numerous reports indicate poor performance following many IPOs, mergers, change initiatives, etc. Just as Rome wasn't built in a day, neither do people and organisations change in a week, or even a year. Think of it as changing some very ingrained habits; that's what you're doing.
8. **Remember to use a variety of communication pathways and vehicles.** Some organisations make an enormous mistake in using only one vehicle, such as e-mail or the company intranet site. Redundancy and repetition are helpful in creating an effective communication programme.

9. **Don't confuse process -- visioning, chartering change teams, planning, and endless PowerPoint presentations -- with communication.** While those meetings and processes can be communication vehicles if designed mindfully and handled in the context of a broader programme, they aren't adequate to meet change communication needs.
  
10. **Give people multiple opportunities to share concerns, ask questions, and offer ideas, and make following up with answers and updates a top priority.** The more people are involved in the process, the fewer you'll have walking out the door or worse, staying and acting as internal saboteurs.

### **Summary**

Developing a good organisational communications plan is not a simple task. It requires resources, effort, and skill. However, a well-planned and executed communications programme will significantly improve the success of any change initiative, and will improve an organisation's overall performance.

Some of the pitfalls that companies must avoid in defining their communications programme include a "*one size fits all*" approach to communications; over-emphasis on "one way" communications; over-reliance on senior management as the source for key communications; and belief that "once and done" communications are adequate.

A commitment to strong, open communications and a plan to guide communications are critical to organisational changes and the well being of a company. Companies that create effective communications programmes are well on their way to success in every business endeavour.

*(Excerpted from the workbook of PR Pundit's workshop held in Mumbai on September 10, 2003)*