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Change communication: using strategic employee communication to facilitate major change

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Change, Communications, Employees, Strategy, Best practice

Abstract

Whether organizational change results from a merger, acquisition, new venture, new process improvement approach, or any number of flavors-of-the-day management fads, employee communications can mean the success or failure of any major change program. The Strategic Employee Communication Model with the best practice definitions, which are composites of effective employee communication examples collected from researching selected *Fortune* 500 companies, help management understand the strategic role of employee communication in a high-performing company. The model functions as an analytical tool to diagnose a company's strengths and weaknesses in employee communication so that the company can structure the change communication program and position communication to facilitate the overall change program. In this paper, I explain the Strategic Employee Communication Model and best practice definitions, demonstrate a change communication approach to improving employee communications using the Strategic Employee Communication Model, and provide a case study of the successful use of the model and approach during a major change program.

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Introduction

Organizational change is difficult whether the impetus is a merger or acquisition, new venture, new process improvement approach, re-engineering, or any number of the flavors-of-the-day management fads. Many have reported the failure of mergers and other attempts at major change to capture the sought-after value. For instance, in a recent *Harvard Business Review* article, companies were reported as spending \$3.3 trillion in 1999 on mergers and acquisitions, yet "less than half ever reached their strategic and financial goals" (Ashkenas and Francis, 2000). In addition, one specialist in change management says, "Leading practitioners of radical corporate reengineering report that success rates in *Fortune* 1,000 companies are well below 50 percent; some say they are as low as 20 percent" (Strebel, 1996). Despite the facts that say otherwise, companies still think they will be different and that their merger, acquisition, improvement program, etc., and resulting change program will work.

What some companies still do not realize, however, is that without effective employee communication, change is impossible and change management fails. Thus, they do not apply the same analytical rigor to employee communications that they give to the financial and operational components of any change program. In his article, "Leading change: why transformation efforts fail," Kotter (1995) lists "under-communication" as one of the major reasons change efforts do not succeed. As he states:

Transformation is impossible unless hundreds or thousands of people are willing to help, often to the point of making short-term sacrifices. Employees will not make sacrifices, even if they are unhappy with the status quo, unless they believe that useful change is possible. Without credible communication, and a lot of it, the hearts and minds of the troops are never captured (Kotter, 1995).

The Strategic Employee Communication Model provides the analytical tool to assess and improve employee communications, thus forming the foundation for using strategic employee communication to facilitate change. In a change communication program, the model and the best practice definitions serve three primary purposes:

- (1) to illustrate effective employee communications in the context of the

- high-performing organization (one way to get senior management to listen);
- (2) to provide an analytical tool to diagnose a company's communication strengths and weaknesses; and
 - (3) to frame the change program and the resulting recommendations to improve employee communications so that communication will be positioned to help drive the change.

Helping management recognize the importance of strategic employee communications

First, management needs to recognize employee communication as strategic and learn to lever its strategic capabilities. Employee communication must play a strategic role in an organization to work effectively. That strategic role means that communication must be integrated into the company's strategy and recognized for its strategic implications and effects. Many managers see employee communications as a "black box." Communication is either everything in the organization (vision, strategy, business planning, management meetings, information flow, knowledge management, etc.) or it is nothing more than publications intended to keep the communication staff busy and the employees informed of the company news.

Organizing the "everything" approach and dispelling the "publication only" focus are first steps in structuring a successful communication program. If management can be coached into realizing that employee communication is a key ingredient in becoming a high-performing company, they will more likely give it the time and energy it needs and deserves. To help them get to that recognition, I use the following characteristics of a high-performing company presented by Katzenbach (1995), an expert on high-performing companies and change management, in his book, *The Real Change Leaders*:

- committed leadership group;
- clear performance goals;
- well-designed playing field;
- right people in the right places; and
- meaningful communications.

Although Katzenbach does not explain specifically what is meant by "meaningful

communication," numerous anecdotes of successful organizational change provide a working definition. Meaningful communications is communication that accomplishes two primary objectives:

- (1) informs and educates employees at all levels in the company's strategy; and
- (2) motivates and positions employees to support the strategy and the performance goals.

If communication accomplishes both of these objectives, it is "meaningful," that is, it contributes to the company's financial success and helps the company be high-performing. Breaking this definition down more specifically results in five primary goals for effective employee communication during major change; thus, change communication must:

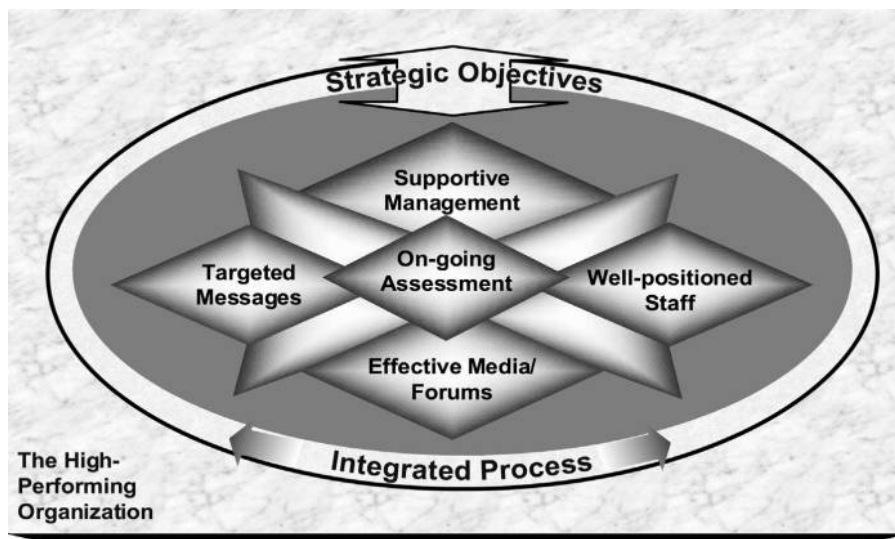
- (1) ensure clear and consistent messages to educate employees in the company vision, strategic goals, and what the change means to them;
- (2) motivate employee support for the company's new direction;
- (3) encourage higher performance and discretionary effort;
- (4) limit misunderstandings and rumors that may damage productivity; and
- (5) align employees behind the company's strategic and overall performance improvement goals.

The strategic employee communication model and change communication approach are designed to accomplish these goals.

Defining the strategic employee communication model

The Strategic Employee Communication Model (Figure 1) can be used to help management understand the strategic role communication plays in the day-to-day success of any company as well as during major change and can help overcome the "everything" and the "publication-limited" perceptions on communication. The model grew out of researching high-performing companies and others to find out what really works when it comes to employee communication[1]. From these examples, I created a best practice composite definition of what successful companies are doing. While no company would exemplify each best practice exactly as presented, high-performing

Figure 1 Strategic Employee Communication Model



companies demonstrate many of the best practice definitions.

The model captures all of the major components of employee communications linking them to each other and to the company's strategy and operations. Thus, it works analytically to break employee communication down into manageable, recognizable parts; at the same time, it shows how intertwined and interdependent each part is when employee communication is positioned strategically as it must be to facilitate change. The traditional communication components, such as messages and media are at the heart of the model, but the direct link to the company's strategic objectives and the business planning process and the overlay of supportive management with on-going assessment of individual and company communication move the model from the tactical to the strategic level.

From the research into the company examples of effective employee communication, the following best practice definitions emerge:

- *Strategic objectives.* In high-performing companies, employee communication reinforces the company's strategic objectives. There should be a one-to-one correlation between what the company has established as its strategic objectives and what is listed as the objectives for the communications. In addition, the communications must be structured to translate the central strategic messages (from vision to performance or financial goals) to all employees.
- *Supportive management.* Top-level and mid-level management must be directly involved in and assume responsibility for communications up, down, and across the organization. In a major change situation as well as for day-to-day operations, communication is not just what the communication staff does. Managers must model the behavior they expect of their employees, the old adage of "walking the talk." They set the tone for an open or closed flow of information. Without them, the channels of communication cannot flow freely.
- *Targeted messages.* Targeted messages are very simply, information tailored to the audience (i.e. messages in different words for different people when necessary), so that the information is relevant and meaningful, at the same time that it is consistent. Thus, each business unit or division must tailor the important messages to its employees, and if necessary, convert the overall message of the corporate center into the digestible and actionable messages the employees can understand and act upon.
- *Effective media/forums.* Effective employee communication uses all vehicles to reach its audiences, but most importantly, it relies on direct, face-to-face communication over indirect, print or electronic media. Thus, interpersonal communication training, meeting management, and facilitation skills are necessary for all managers.

- *Well-positioned staff.* The communication staff needs to be close to the most important business issues, involved in the strategic and business planning processes. They must have a “seat at the table.” Being a member of the senior management team allows the senior communication officer to understand the company’s strategy and to participate in the decision making. In addition, the communication staff should be seen as facilitators of change not just as producers of publications.
- *Ongoing assessment.* The effectiveness of the company’s communication needs to be measured company-wide formally and frequently against clearly defined goals on an ongoing basis and throughout the key stages of any major change. In addition, communication effectiveness needs to be evaluated as part of each employee’s individual performance appraisal with the appropriate recognition for excellence.
- *Integrated processes.* Communication needs to be integrated into the business processes with communication milestones included in the business plan and as part of the business planning process. Thus, communication should be placed on the agenda of meetings and built into the management discussion of strategic objectives and planning.

By using the model and best practice definitions, a company can create very tangible communication goals for employee communication improvement and the change communication program. The model serves as a tool to approach employee communication as a company would any analysis, that is, breaking the whole down into manageable, carefully defined parts. These definitions can serve as a benchmark against which companies can measure the potential need for communications improvement in their organization so that employee communication will help in facilitating the change program.

Using the Strategic Employee Communication Model to facilitate change

The design of the change communication program needs to grow out of the size of the change program and the company’s current

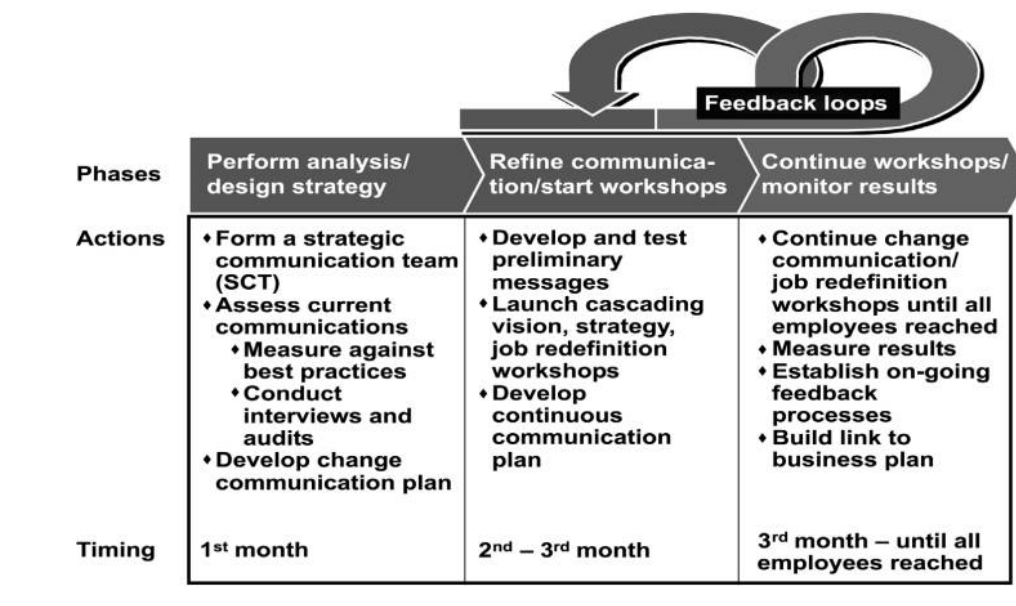
communication practices. Is the proposed change major or incremental? Is the change company-wide or business unit specific? How many employees are involved and affected? How effective are the current communication practices? Are they strong enough to carry a major change program? If the changes are major and essential to company performance, companies cannot afford not to improve the current communication practices if they find them lacking. They must devote the necessary time and resources required to assess and improve employee communication before they launch the change program; otherwise, the change program will never get off of the ground.

The specifics of any change communication program are particular to the company; therefore, they must come from inside the organization and not from outside. An approach off the shelf seldom, if ever, works for any organization. No one should force the Strategic Employee Communication Model or any other model on a company from the outside. Instead, the Strategic Employee Communication Model and change communication approach should be used to work from the inside of the organization to determine what is needed and to design the appropriate change communication program to fit those needs. Thus, the model provides an analytical tool to diagnose a company’s communication strengths and weaknesses and to frame the change communication plan and resulting program.

The action plan below can be looked at as one way to map out a company’s program, one that has been successful and that can be adapted to a company’s particular needs (Figure 2). Each of the three phases contains the specific actions that are to be taken to implement the change communication program. They may vary slightly from company to company, and they will evolve as the change program evolves; thus, the feedback loops indicate information coming in that influences the action plan once the change program is under way. Any action plan is a living plan although phases and most of the actions represented here will need to occur in most change programs.

The first phase of analysis and strategy development is critical to the success of any change program. The analytical phase for change communication is often the phase management will omit or minimize because

Figure 2 Three-phased communication strategy plan



they fail to recognize its significance, fail to see communication planning as strategic, or fail to see their way clear to allowing the time and attention it needs; however, without the careful analysis of the current employee communication situation, the company is shooting in the dark in developing the change communication program. It does not know where the communication breakdowns are and how best to reach the organization with the key change messages.

From my experiences, the action plan contains four essential actions for an effective change communication program:

- (1) forming a strategic communication team (SCT);
- (2) assessing current communication practices;
- (3) conducting cascading vision, strategy, job redefinition workshops; and
- (4) monitoring the results.

Forming an SCT

A full-scale change communication program requires dedicated resources consisting of not only a few communications staff members, but selected employees and management. Thus, the first step in starting any change communication program is to form a multi-level, cross-functional employee team. The SCT will have four primary objectives:

- (1) to assess the company's current communication practices;
- (2) to address any employee communication improvement gaps;

- (3) to design and implement the change communication program; and
- (4) to serve as change ambassadors.

They will need to be fully dedicated since they must address these objectives simultaneously, working fast to make any needed improvements in employee communication when the change program is launched.

One requirement for having a successful SCT is to have non-communication staff make up most of the team. Although these non-communication people may need some training in the jargon of our discipline, the benefits of having diverse, front-line, operational members clearly outweigh the additional training time required. It can often mean the difference in the employee communication improvements being accepted at all levels. They become additional arms, legs, and brains for the communication staff and often become part of the change program's mechanism that ensures the changes remain after the "official" team no longer exists. Although the make-up of the team will differ from company to company, the characteristics of the people selected should be as follows: cross-functional, all levels and geographic locations (if relevant), respected and trusted by their peers, open and honest communicators, skilled at facilitation, and finally, with a commitment from their supervisors to allow them the time to be a dedicated part of the team.

The SCT will be the heart of any improvement program and will need to be

carefully selected from a cross section of the organization. It will do the day-to-day work of the employee communication improvement and change communication programs. After the core team is formed and the preliminary analysis completed, the team can be broken down into sub-teams to focus on the topics of greatest concern. The sub-teams will be needed to manage the workload and to allow in-depth focus on the essential and immediate improvement areas. Figure 3 provides an example of how the SCT would fit into the organization and how the sub-teams might be organized. In this example, the sub-teams correspond to the components of the model, but these sub-team topics should grow out of the preliminary assessment to ensure they are the major communication improvement areas. The sub-teams will work independently, but interact frequently to avoid duplication of effort and ensure no issues fall through the cracks.

The SCT will be linchpin of the development and implementation of the change communication program. It will provide information from and to the organization, and it will bring credibility to the change communication effort. Just having a cross-functional, multi-level team of non-communication people working on communication sends a message in most organizations that changes are occurring. Communication starts to be seen as the responsibility of all employees, not just a select few. Also, the team members become communication ambassadors who can more

effectively reach deep into the organization to ensure widespread understanding of the messages.

Assessing current communication practices

One tool that the SCT can use to facilitate the assessment is the scorecard shown in Figure 4. This scorecard allows a “quick and dirty” assessment of the company’s current communication practices. Also, use of the best practice definitions and their opposites is one method of beginning to educate management in what strategic employee communication means while determining the company’s improvement targets.

In addition to the assessment, a few interviews with key managers and a cross section of employees to gain insight into their perspectives and to start to build their support combined with an audit of current communication vehicles and a review of any employee surveys that human resources may have conducted will reveal enough to gain a sense of the organization’s typical communication approach and any communication areas needing particular improvement. This preliminary assessment can then form the foundation on which to build the change communication program.

Where a company ends up on each component will determine how much time and effort will be needed to improve the current employee communication practices before and during the change communication program. A couple of the components may need to be addressed before the change

Figure 3 Sample SCT structure

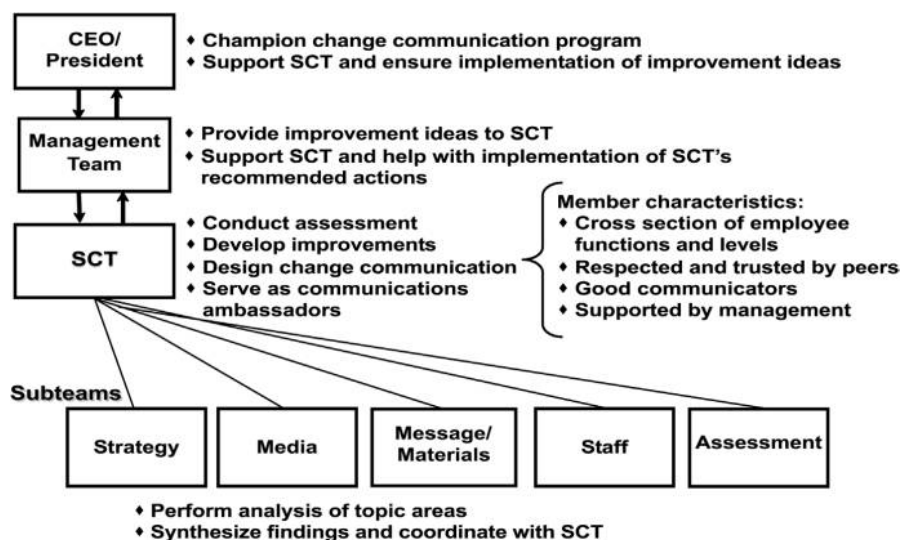
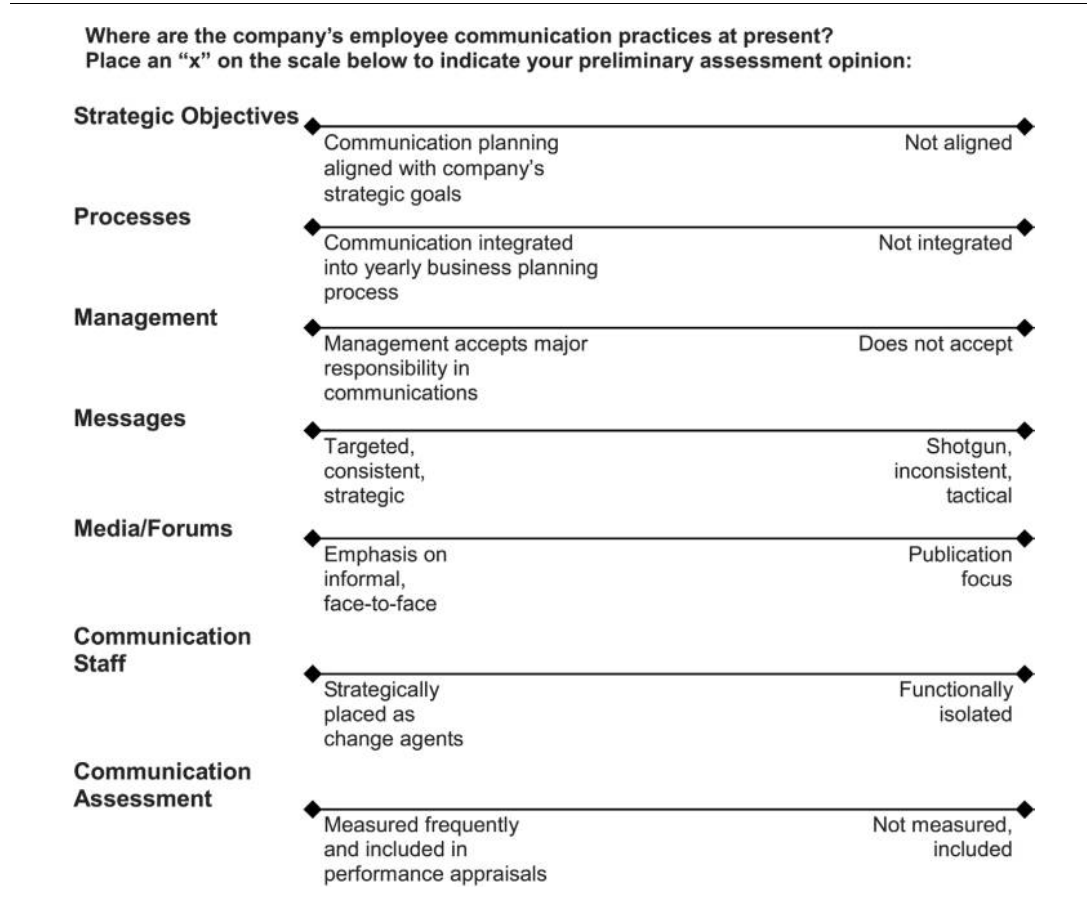


Figure 4 Scorecard of current employee communications



program can be fully launched, but most will improve as the change communication program is implemented. If, for instance, the current media are shown to be deficit in reaching employees, the SCT must find new, effective channels immediately. The workshops often serve as one of the new channels once the change program is underway, but since the cascading workshops take some time to reach all employees, the company will need to find other ways to keep the employees informed and to ensure the change messages are getting to the targets. In addition, if the communication staff is isolated and seen as a "publications-only" group, it will need to be brought into the change process quickly and moved into roles as facilitators. Finally, if key managers are diagnosed as uninvolved and unsupportive of communication, they will need to be coached and encouraged immediately to become a part of the employee communication improvement efforts.

Thus, the model serves as a starting point for the preliminary assessments of the current communication practices and will help determine how much improvement is

necessary before the change communication program can be successful.

Conducting cascading vision, strategy, and job redefinition workshops

The success of any change communication program will depend on a company having a clearly stated, believed in, understood, and meaningful vision statement, which management should be involved in developing and communicating. A "meaningful" vision is more than a catchy saying on a coffee cup; it is a clear, actionable, realistic, and measurable statement of what the company wants to be (Jick, 1989; Collins and Porras, 1996).

If a company already has an acceptable vision, it needs only measure its understanding and reinforce it; however, often the vision no longer works for the company, particularly if it is undergoing major changes. Therefore, the senior management group needs to convene and develop a vision that captures the company's new direction. In addition, management must define the strategic objectives that support that vision. It often helps the organization to

understand the changes if it can see the key objectives as they are now and as they will be in the new organization to ensure the success of the change program. A simple “from/to” chart can be used to picture the changes. For example, a computer company might have the following as its vision and strategic objectives (sample only):

Vision: To be the market leader in providing high-performing, cost-effective enterprise servers, solutions and services for our customers by:

- Providing products at a superior value to meet customer needs from midrange-level to high-level functionality;
- Creating comprehensive integration of critical solution components.

The strategic objectives can then be broken into their parts to determine what the changes are in line with the new vision. Thus, their “From/To” might be as shown in Table I.

Once senior management has established the vision and supporting strategic objectives, then the SCT needs to develop two rounds of workshops. The first one is for the first few levels of the organization on the case for change, the major change messages, the vision, and the strategic objectives. This first round should include break-out sessions to test and refine the vision and obtain employee feedback on improvement ideas with the upper level management across all business units. The SCT should synthesize all suggested changes to the vision and adjust the vision for each subsequent workshop. They should also collect and organize all improvement ideas into groups, arranging them into buckets according to how important and practical they are. Any ideas that can be implemented immediately should be, which will send a signal that management is open to ideas from all levels of the organization.

Depending upon the size of the organization, these workshops will take a few months with one workshop every two weeks including 20 to 30 employees each. The

vision will change some with these employees playing a part in shaping it into something meaningful to all business units and most functions and levels. The key to success in these workshops is that management participates and is open to new ideas. At the same time that the change messages, including the vision and strategic objectives, are evolving into something the organization as a whole can understand and act on, management is beginning to buy-in to the changes themselves. Senior level management should kick off each workshop and come back in to close, and management at all levels should be actively involved in the workshops as observers and participants.

This first round of workshops is important to gain employee confidence that the changes are important and the organization wants their support and understanding of what the changes mean. At some point (usually after meetings with 5 percent to 10 percent of the organization), the change messages will start to receive fewer and fewer suggested changes. At that point, the SCT can consider the new vision, strategic objectives, and any other supporting change materials as established (although some minor tweaking may still be needed once the vision is to become published and communicated externally). The SCT is then ready to move into the next round of workshops.

The second round of workshops consists of a roll-out across the entire organization of the vision, strategy, and idea generation with the addition of job redefinition sessions, which are break-out discussions on how specific jobs will need to change under the new company. These, too, should include as much management involvement as possible. The leaders that emerged from the first round can be recruited to serve as ambassadors and even facilitators for this round of workshops. The more employees participating in these workshops, the better, so that the word is spread and greater buy-in is established. That

Table I Strategic objectives

Strategic objectives	From	To
Providing products at superior value	Hardware, software, and solutions for all computers Value to us, low volume at high-cost to customer	Hardware and solutions only for servers and complex enterprise systems Value to customer, high volume, low cost
Creating integration	Fragmented products and services in isolated pockets	Connected components within the enterprise system

will also allow faster dissemination of the change messages. These workshops must be held until everyone in the company has participated.

Monitoring the results

The results of the change program must be monitored frequently. In the first few months in particular, it is important to keep in close touch with how well the organization is hearing, understanding, and accepting the change messages. In addition, the media need to be monitored to determine which are effective. The quickest way to obtain a picture of the “what” and the “how” is to send out very short surveys to a stratified sample of the organization. Depending upon which channels work for the organization and the different groups in the company, these surveys can be distributed electronically through e-mail or on the company intranet or distributed hard copy. Phone surveys work as well, again depending upon the culture and the preferred way of communicating. The survey should be designed to obtain mostly facts at first. For instance, to establish facts on what messages are being received and by what means, the survey could ask:

- What is your level of understanding of the changes occurring in the company?
- What is your most frequent source of information about the changes?

The more open-ended questions might be:

- What is the new vision for the company?
- What changes do you see occurring in your group that demonstrate the new vision?

Only after the cascading workshops are completed would the SCT want to conduct any surveys on attitude or morale since the employees need the workshop interactions to internalize the changes and feel they are part of the new organization.

The four central actions discussed above can influence the level of success of a change communication program, but at the end of the day, complete success depends upon the following from management:

- Senior management commitment to the importance of the change communication and a willingness to devote necessary time and resources to ensure its success.
- Emphasis on hands-on interaction between management and employees

(small groups, two-way exchanges, idea generation sessions, job redefinition workshops).

- Immediate follow-up on employee ideas and rewards for good ideas and good communications.
- Barriers to success addressed immediately upon discovery.
- Ongoing monitoring of communication effectiveness.

Underlying any of the critical success factors are the continual signals along the way that change is happening and that the change is making a positive difference to the way the company operates. The program will not be judged a success unless it makes a meaningful difference not only for the employees but for the company overall. And, of course, the managers will ask, “Was it worth all of the effort?”

One key to building management commitment is the success of the SCT along the way. If the team is functioning as it should, the company will see immediate improvement in communication from the day the team is launched. The team by its very existence demonstrates a change in most companies. The depth of its impact, however, will depend on the supporting mechanisms put in place to reinforce the team’s recommended communication improvements and the frequent assessment of individual and company communication performance areas as well as the rewards for “good” communications throughout the change program.

Thus, the model helps to bring very specific focus on the employee communication improvement needs and to provide an analytical tool that helps to organize and control the change communication planning. In addition, it can help with implementing the changes in internal communication processes necessary to ensure the success of the change communication program. It allows the company to determine where it needs to place its employee improvement efforts, at the same time bringing the improvements necessary to support the change program, such as opening up the communication channels, increasing the role management plays in employee communication, and making communications central to the change program.

Looking at a successful change communication program

The following is a combined case study of how a change communication program can facilitate a major change program and of how a communication improvement program can establish the foundation to make change happen. Without change communication, the change program would not have reached many, if any, of its goals. The senior management, who were at first skeptical about communications, particularly about vision or other communication workshops, realized the importance of change communication only after seeing some results. The results, however, led one CEO to say:

This change program was a success by all measures – organizational and financial – and the change communication program helped make it happen.

The senior management group of GEC, a major, diversified, global energy company of 65,000 employees with assets in excess of \$30 billion, needed to turn around RMC, a recently acquired downstream energy (refining, marketing, trading, retail operations) company, immediately or sell it [2]. Thus, the change program involved an acquisition and turn-around, both major disruptions for any organization. RMC was purchased to expand GEC's holdings in the US and as a way of completing the value chain from exploration and production through refining and marketing, but when it was acquired, the business unit was losing money and on the verge of having to lay off hundreds of its 5,000 employees. RMC had only returned \$5 million to its parent company against its \$750 million investment and had an increase of 35 percent in costs.

RMC had gone through numerous organizational restructurings and a number of cost-cutting exercises in the past. Although it had gone through downsizing and several reorganizations, with consultants coming in and out frequently, it had not been able to turn the company around and the employees had reached a point of complacency and cynicism. The change program covered all business units in RMC: refining, marketing, trading, retail (gas stations), and the natural gas company, as well as all overhead functions. Communication was just one of several areas needing to improve; thus, it was

clear that the communication and change program at large would involve all levels of the organization.

With the most senior level management group (mostly presidents of the business units), a major shift in how they worked together (or more against each other) had to occur if the company was going to become profitable. The business units were too busy trying to meet their own individual goals to recognize that by doing so they often worked against the goals of the total company; they often knowingly and unknowingly competed against one another. The middle and lower level management needed to shift from extreme command and control and silo thinking to a team-based, participative, cross-functional, openly challenging culture. The front line needed to develop a performance ethic and learn to be open with its ideas and concerns about the company. Cutting across all of the levels in the organization was a lack of trust for "the company" and management at large and a fear of speaking openly. Communication across units or up the organizational chain of command was almost non-existent.

More specific communication challenges emerged in corporate-wide employee surveys completed shortly before the change communication program began. The surveys revealed serious communication problems, particularly in the field: messages were inconsistent and not targeted to reach all employees at all levels; employees across the board felt unclear about the direction the company was heading; many felt afraid to express their ideas or concerns; management appeared isolated and non-receptive to the field operations; and overall, the company was suffering from too much focus on external communications, too many publications, and not enough meaningful direct internal communications. The company recognized that with such a cynical workforce, they needed to assess its employee communication practices against other companies and create a program to improve internal communications substantially.

Using the Strategic Employee Communication Model, I compared the company against the best practice definitions and found all components illustrated in the model were targets for improvement. Although the senior communication staff had created strategic objectives for the group and

aligned them in support of the company's strategic direction, many in the company were not aware of the strategic objectives for either. Also, communication planning and activities existed outside of the annual planning process; thus, they were not closely integrated into the company's planning cycle, nor recognized as the responsibility of all employees.

A pivotal problem was that top-level management commitment and follow-through on communication was minimal, and little management communication training on interpersonal communications was provided. In the employee survey, we found that key themes or key messages within the business units and across the company had changed so often that employees were confused and unclear as to the company's vision and direction and that interactive, two-way communication was lacking. Finally, communication effectiveness, while measured periodically within the organization, was not tied to individual job performance at any level of the organization; thus, communications was not viewed as an important responsibility for all employees – managers to front-line workers.

The company planned a full-force change program, with a huge focus on employee communication improvement. It ended up with a number of activities going on at once: communication improvement program, vision creation and refinement, opportunity identification, performance team initiatives, organizational development, performance management system design, a human resource program, and even some downsizing and elimination and refocusing of numerous functions.

After the preliminary assessment, the company formed a SCT to focus on the specific communication issues and develop the change communication program (Figure 5). The team consisted of employees from all levels and locations in the company, and only two of the 15 were communication staff; the rest represented various functions and levels.

Since this change program involved a lot of employee communication improvement up front as well as during the change communication program, I needed to spend time with the SCT up front helping them to understand communication terms and the best practices. I started the SCT out with an

all-day session to define the scope, objectives, responsibilities, and working approach for the project. We ended up with the sub-teams on vision/strategy, media, messages/materials, training, and assessment since these topics emerged as the major issues in the preliminary interviews and in the previous employee surveys.

With the Strategic Employee Communication Model and best practice findings as a backdrop, the SCT worked with the business unit presidents and the vice president of communications to define the best approach to improving internal communications quickly. The SCT used the approach presented in Figure 6 to organize the major communication activities. As part of the first phase, it interviewed all of the top management to obtain a better understanding of how they viewed internal communications.

Each sub-team developed a work plan and sought additional recruits to work with it. In addition, the teams felt they needed more information than that provided by the management team interviews and the previous surveys, so they decided to interview a cross section of employees in their locations. The SCT leaders created an interview guide for all of the sub-teams to follow to ensure some continuity in the questions that the team asked. The sub-teams interviewed over 200 employees above, below, and at their same level across the company.

In addition to the interviews, they conducted brainstorming sessions to generate ideas to address the major communication issues, and they synthesized the interviews into one report that gave an in-depth review of the organization's communication concerns. The report highlighted the major themes and also provided issues by location. We also began to formulate recommendations for ensuring the change communication program would succeed, created materials to help in conveying change messages, and tested messages and recommendations with selected groups of employees and managers in one-on-one or small group sessions.

The primary focus of phase three was implementation of the employee communication changes and the design of the continued change communication efforts. The employee communication improvement recommendations included specific communication actions for senior management and established a sub-set of the

Figure 5 The SCT for RMC

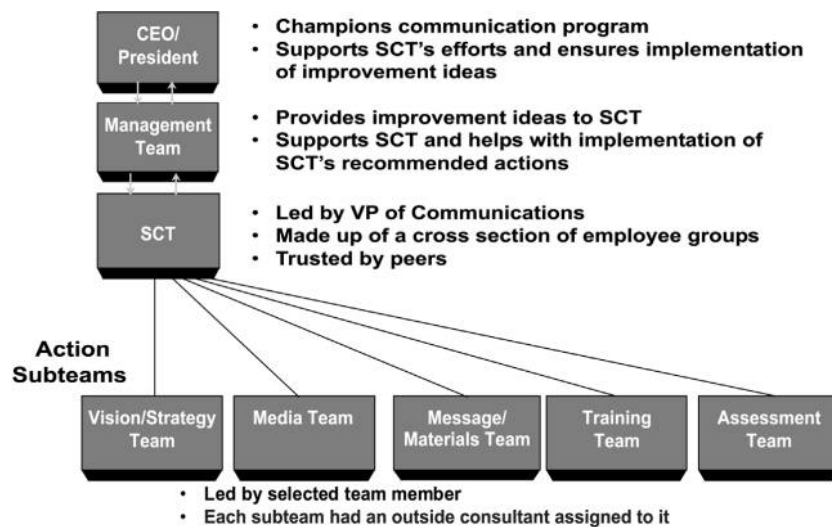


Figure 6 RMC's SCT action plan

Phases	Assess and plan communications	Develop communication recommendations	Establish implementation plan
Actions	<ul style="list-style-type: none"> Assess current communications Charter strategic communication team (SCT) Determine program level and goals Hold SCT planning workshops Conduct interviews and audits Analyze planning processes Establish change communication plan 	<ul style="list-style-type: none"> Synthesize findings Formulate recommendations Obtain consensus on key messages Develop communication link to business plan Launch cascading workshops Refine improvement recommendations and change communication program 	<ul style="list-style-type: none"> Develop change implementation plan Assess employee understanding of change messages Establish ongoing feedback processes Develop continuous communication improvement and reinforcement plan Implement change communication plan Monitor progress
Timing	January - March	March - May	May - June

team to serve as the extra help for the communication staff as the change program continued. Also, the SCT built in mechanisms to place accountability with management, to assist the already stretched communication group with day-to-day communication, and to measure the results of the change communication program.

The results of the change program were financial and organizational. Financially, RMC captured \$25 million in annualized net cash flow with a potential to capture at least \$75 million more following complete implementation and action on the additional opportunities that had been identified. Organizationally, RMC saw an understanding of the new vision and its performance implications, exposure by management to business problem solving and a more

commercial approach to doing business. A new performance management system was put in place that included communication. By all measures, the change program was a success.

The communication changes that facilitated the success of the change communication program occurred early and continued throughout the program. For instance, we saw a couple of huge shifts in culture around communication. First, the communication responsibility had spread out across the organization and two-way, open, and honest communication up, down, and across the organization became the norm instead of the exception. Employee morale noticeably increased and more attention was paid to communication up and down the organization. Employees across the board

started to speak up with ideas and concerns. A few local managers established their own communication advisory councils, started their own local newsletters, and began holding employee meetings. Management placed more emphasis on getting the intranet up and running and defining it as one major two-way communication channel.

Also, management accepted more of the responsibility for communication. When interviewed early in phase one, several of the managers said, "Communication is the job of the company president and the vice president of communication, not mine." However, seeing communication added to the upward feedback forms and seeing the company president invest so much time and money on a communication improvement program sent a clear signal to the management and the rest of the organization that communication was important to the company and its future success. Thus, the communication improvement program had a positive impact and established a foundation on which to build the change program as well as the continued success of the changes across the company.

In summary, employee communication consists of the basic components of messages, media, and audiences, but it is also much more. Effective employee communication is the glue that holds an organization together, and during major change, that glue becomes even more critical. It allows the smooth operation of the organization and links all other processes of the organization, such as the strategic and business planning processes together. Strategic employee communication is essential to the success of any organization, not just those seeking to be high-performing. The Strategic Employee Communication Model and the change communication

approach built on it will help to bring employee communication to the strategic level of recognition and operation and will facilitate major change programs. Thus, it can be the ticket that allows a company to move onto that short list of successful change programs.

Notes

- 1 This research included secondary research as well as interviews of *Fortune* 500 companies. The resulting database contains information on the model components as well as information on the communication staff functions, organization, and budget for over 40 companies.
- 2 This case study is based on an employee communication improvement program and a change program from real companies. I have merged the companies into one and changed some of the company details and the names to protect the confidentiality of the companies. My role was that of an external change communication consultant.

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