

How to Design Employee Communication Strategies that Impact Directly on Business Outcomes

*5 Case Studies of excellence for
Employee Communication Success*



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Case Study

AIRLINE INDUSTRY

The Objective:

This airline applied a unique approach towards integrating staff with customers to foster a feeling of ownership and pride in the organisation.

The approach had been for staff to listen to customer comments and to build positive program around this information. The outcomes of these programs were then included in measurement of customer service indicators such as increased travel, reduction in customer complaints, human resource indicators such as sick leave and staff retention rates.

Customer service was the vision to unit the airline. Prior to this the organisation was fragmented, largely operational with little co-operation between the various departments. Its public image was one of a public service provider rather than a customer driven organisation.

The Method:

The aim was to win in the marketplace and to do this it was evident that staff had to work as teams and be customer focused. Customer lunches were held which was the main opportunity for staff to get behind the process. They were held in 24 locations and staff were invited to attend the lunch and the customers were the airlines loyal customers, customers of the major competitor and customers who had registered complaints. Also included were the media, travel agents and women travelling with children, frequent fliers and handicapped persons.

Staff were invited to attend the lunches through a newsletter and via a personal letter. The success in attracting staff was impressive. From a staff base of

approximately 10,000 over 2,000 replies were received and only 600 staff were required. Management were then asked to do a random selection of staff ensuring that people across the airline were selected.

Staff were prepared for the lunches via brief training sessions on what was expected of them and how to conduct themselves in dealing with customers. They were also required to prepare questions and were instructed not to be defensive. The aim of the exercise was to be open to what customers had to say and to take notes on the points they made.

The main question asked by staff to the customer was, “What can we do so that you choose us to be your number one airline?” The lunch was formally addressed by the Chief Executive Officer and the duration of the lunch was one and a half hours. Customers received a small gift for attending the lunch and afterwards staff shared thoughts for one hour.

Comments were then consolidated into individual area reports and managers were given the opportunity to do what was needed.

The Outcome:

The results of this program were the impact on improving customer service, which were substantial and significantly helped increased the organisation’s market share.

Staff response to the program was extremely positive. Even those staff members who regularly deal with customers were thrilled to be part of the program. Staff were motivated back at the workplace and this participation process transformed their attitudes. They worked effectively as a team and felt important because the organisation had spent money on them and placed the future customer service policies of the airline in the hands of the employees.

Step by Step Guide

STEP 1:

In your organisation segment customers into different groups to develop this type of action oriented employee communication strategy.

STEP 2:

Establish the critical steps in the process and determine which other parts of the organisation should be involved.

STEP 3:

The organisation needs to be committed to tangible outcomes which are linked to business improvements that impact the customer. Develop a list of what these objectives might be for your organisation.

Case Study

RETAIL – CAR DEALERSHIPS

The Objective:

This organisation is one of the most successful dealerships with a very strong focus on customer satisfaction. But to get here the management decided they needed to find out what successful dealerships did well and how to emulate that in the city.

The Method:

A team visited various smaller dealerships as 'mystery customers' identifying how they were treated as customers. This was both in the sales and service area. One of the key features they noticed was that when you dealt with a person initially, that same person met you at the end of your visit, whether it was to collect a new car or to collect a car after a service. The other aspects they noticed was that when cars were being serviced customers could see their cars being worked on and the team who worked on your car were all available as team to speak with the customer and address any issues. The other method was to then focus on the most positive aspects of the customer experience. At the beginning of each week the teams would meet and discuss the customer feedback and comments that were received the previous week. Trends were then identified and work teams were accountable for improving processes and making changes to service as required.

The Outcome:

The outcome was a customer satisfaction rating of 97.6 percent, and although both sales and service were combined, it was largely the renewed focus on service that resulted in such a high rating.

Step by Step Guide

STEP 1:

Identify each step of the process that a customer goes through in dealing with your organisation.

STEP 2:

Select aspects of that process and 'mystery shop' competitors and your own company to compare the experience.

STEP 3:

Implement changes based on the very best practices in the process. Involve employees in the projects to create greater levels of ownership.

Case Study

PHARMACEUTICALS

The Objective:

The main objective of this employee communication strategy was to educate staff in reading and understanding the company financial statements and how they directly related to the work that they were doing. The other minor objective was the need for employees in other departments to understand how what they did impacted on the remainder of the organisation and the bottom line.

The Method:

Employees from all areas are encouraged to review the company books and financial statements. An extension of this policy was to talk with all employees in groups and discuss what the figures meant, specifically how they related to the work that they were doing and then to the big picture of the organisation's profitability. The policy was more than an attempt to educate the workforce, rather it focussed on action plans when the budgets and finances were off course for their particular area. The staff would then look at their operations and how they could do things differently to remedy the situation. This method includes training on understanding financial reports, which has the benefit not only of learning how to read the financial statements of the organisation but also what action the team in each department could take to change the financial outcomes.

Copies of the financial statements are distributed to employees once there is recognition that they will understand what is being conveyed. The other part of this policy is the responsibility of employees to make decisions and changes to their work practices to ensure that the financial targets are met. By understanding and teaching employees the direct relationship between their work and the financial results of the company they are more inclined to understand the message the organisation is communicating to them. This is a much more effective approach than simply distributing an annual report which often means very little to employees

who see it as a waste of money spent on a glossy publication. Education on the content has been essential in this approach to ensuring that employees understand and act upon the information.

The Outcome:

The outcomes of this approach have been a workforce that appreciates being part of the big picture and understanding exactly where the organisation is financially. Part of this policy has included the responsibility of the employees to make the organisation more profitable. Now that staff understand the financial documents and the importance of what to do in terms of the bottom line they are now actively involved.

Step by Step Guide

STEP 1:

Examine some of the key financial statements in your company's annual report and develop a staff annual report. This should include explanations of how to read the statements and what they mean.

STEP 2:

Prepare an action oriented employee communication strategy which outlines to management how they can use the information and work with their team to take action where required.

STEP 3:

Develop a network of staff who are able to provide advice on the financial statements and what they mean to the individual team and department.

Case Study

FINANCIAL SERVICES

The Objective:

The major business driven employee communication initiatives in this Insurance Group are customer service, quality and product innovation circles, productivity encouragement awards and news about the business success of the organisation. Specific information is directed via the department which is specifically involved in the activity.

The Method:

The strategy involved establishing a cross functional team representative of all areas within the organisation. The CEO was the key driver of the new culture which was to encourage greater involvement in every aspect of the business. Customer comments and feedback identified by marketing were then communicated to employees.

Cross functional teams were then established to look at product and service innovation and the quality of the product. Once changes were implemented after a period of six months customer were again researched for their opinion and changes made as appropriate.

To encourage employee participation, productivity encouragement awards were introduced for employees and teams that made the changes that had the most significant impact on the business.

The Outcome:

This business driven employee communication strategy incorporates the key elements of customer feedback, employee involvement and ownership by the CEO to ensure it works. The impact on the business was a 20% increase in market share for a product in a highly competitive market niche.

Step by Step Guide

STEP 1:

In conjunction with operations and marketing identify some customer concerns that have been raised that employees can work on improving.

STEP 2:

Select employees that will be enthusiastic in being part of a customer focussed team. This will ensure that successes will happen quickly.

STEP 3:

When planning how to communicate the successes to employees, consider involving the team members themselves in communicating with their peers.

Case Study

RESOURCES

The Objective:

The objectives of this action oriented employee communication strategy was to enable the successful integration of the merger of two organisations in the power industry. The organisation wanted to avoid the mistakes of a previous merger which involved integrating management from top down, which is often the situation and where management usually opt for early retirement than being part of the new team. This time the objective was to have an employee directed integration process, this would allow for smoother implementation of new business policies and guidelines.

The Method:

The managers and staff were divided evenly amongst the two organisations and were then divided into 52 “Transition Teams.” Their role was to examine the business processes of their organisation and the way work was done in their particular area of interest. So this method ensured that the teams not only worked on the best means of designing the customer experience, but also to establish ways to integrate the two organisations in their particular area of work. All employee communication messages reinforced the idea that employees were empowered to make the decisions and changes necessary to effect a successful transition to one organisation.

The employee communication department ensured that this approach also helped build relationships between the employees of both organisations from the beginning. They also produced a newsletter that focussed directly on the changes to the business. The basis of this publication was that it delivered information about the merger in a timely manner. This publication was distributed according to the urgency of the business issue being covered. In some instances it was sent to the

employees home, other times via an overnight internal mail system, and when immediate information was required, a copy was faxed for immediate distribution. The type of information distributed via this publication included organisational charts, new business policies, customer comments and business strategy.

The Outcome:

The outcomes of this approach of merging two companies were significant. Firstly, that difficult task of integrating employees from two distinct corporate cultures was achieved from the outset by combining the groups for each functional area towards a common goal. Secondly, by producing timely communication that contains information on success stories and achievable outcomes about the merger, most importantly about customer support. And lastly, that by focussing all employees on developing the changes this really does help in achieving business driven corporate culture.

Step by Step Guide

STEP 1:

If your organisation is involved in the merger of departments and sections, identify what common areas employees can work together as a team to enhance the transition period for the business.

STEP 2:

When changes are taking place within your organisation, identify a written communication tool that can be adapted to deliver timely and relevant information to staff about the impact on the market place.

STEP 3:

Identify a feed back mechanism to uncover what customers want to know and then deliver relevant information to employees using it to communicate the solution to the marketplace.