

On the quest for world-class internal communication

Some findings from recent research into what best-practice internal communication looks like

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Recent research headed by HSBC, and supported by brand and communications consultancy UffindellWest, aimed to discover how internal communication works in a variety of global organizations. It revealed that many forward-thinking internal communication approaches are being implemented and here the authors discuss what the industry can learn from these results.

In late 2008, HSBC instigated a study to explore global best practice in internal communication. Drawing on an analysis of employee engagement data and a range of published sources, the study also used first hand observations from across HSBC and a range of companies in Europe, Asia Pacific, North America and Latin America.

What's the purpose of the internal communication discipline?

This was our first question, and the answers are familiar but show how different organizations look for slightly different outcomes from their internal communication discipline as follows:

- Create understanding of strategy and direction
- Support organizational change
- Keep people informed of company news
- Build company pride
- Help people to live the values

What complicates the role of internal

communication is the way the discipline doesn't work in isolation but alongside, and reports into, functions such as HR, marketing and external communication, creating a specific bias. When linked to HR, internal communication focuses on employee engagement. When working with marketing it's on customer service. And when working with external communication, it's geared towards the internal management of the news agenda and corporate social responsibility.

At HSBC, where the Group internal communication team reports into corporate communication, the discipline is heavily involved in day-to-day news management. For Jo Alexander, the wide scope of her team's role means that one of her challenges is finding the time to be a proactive advisor on strategic business projects, whilst needing to align the internal news agenda with the agenda of her colleagues in external media relations. Working in an industry that's currently very much in the spotlight and undergoing significant media and government scrutiny, staying topical and timely is critical to the credibility of internal communication but it can't be at the expense of the other longer-term projects that they support.

An emerging trend

The most noticeable aspect across the study was the emerging importance of employee engagement in the role and purpose of internal communication. Increasingly, evidence is proving that engaged employees are more productive but many of us have felt uncomfortable about drawing too hard a line between the communication we do

and the engagement scores or indices devised by our companies. “It’s about line managers,” we say. Or, “Engagement is really an HR topic.” The research showed that many internal communicators are now embracing a role in facilitating engagement, realizing that their skills can make them uniquely qualified to play a key role in supporting line managers and also seeing that they can build a profile for their own discipline at the same time.

How do you drive interaction with employees?

This is one of thorniest questions for internal communicators and our research showed that it continues to receive significant attention, money and creativity as we strive to find an approach that works. We’re experimenting with a vast array of social media, investing in expensive TV and video channels and creating bespoke training and coaching programs. What’s clear is that almost all solutions require some kind of technology framework to enable us to easily reach the dispersed audience we’re hoping to engage.

Create genuine two-way dialogue

We all know that face-to-face communication is the holy grail of internal communication and that face-to-face communication involving managers (rather than communicators) builds trust, shows commitment and helps employees to connect what they do in their every day jobs with the mission of even the largest business.

Our research confirmed the pitfalls of two-way dialogue:

- Often methods, including conference calls, team briefings and roadshows, are still broadcast channels and don’t consistently facilitate dialogue.
- Information is often sent by email and not briefed in person.
- There are no measures to test how effective line managers are at communication.
- Managers may not know what’s expected of them in terms of communication.
- There’s often no proof that employee feedback has been listened to.

But we also saw what those companies who are getting it right are doing:

- They have a supportive leadership team.
- They make communication a formal part of the line manager’s role and give each line manager effective communication training.
- They send briefing materials direct to front line managers and these are tailored to the local context.
- They audit the process to ensure it’s happening.
- They use technology to enable a faster, more professional solution.

Use new technology effectively

Technological innovation means that new communication channels are becoming widely accessible, such as instant messaging (which is likely to take over from email), blogging and intranets.

Some CEOs are exploiting blogs successfully – they have the energy, commitment and time to keep them current. Video streamed online gives leaders real visibility and brings issues alive, although it can be expensive to produce and requires an IT infrastructure with sufficient bandwidth to make it widely available. In customer-facing situations, where frontline employees are located in call centers or branches it also requires a culture that supports people to take time out to watch this channel.

The most interesting thing we discovered around channels and technology was how decisions are made and who’s doing the decision making. Some companies embrace the communication channels their employees favor outside of work. Bebo, Facebook, YouTube and Twitter have exploded and employees are happily adopting these new channels. Some companies work with whatever new development their IT department signs them up to. And some communicators are driven by their existing company culture, understanding that social media tends to reflect the level of interaction and dialogue that’s already happening on the ground rather than being a spark for igniting it.

One company we were impressed with relied on viral marketing to generate hits among employees on a corporate video hosted on its intranet. It attracted 3,000 hits from a population of 24,000 – that’s a 12.5 percent penetration. But the level of involvement for video is typically much lower. In terms of collaboration the “1-9-90” rule is useful: one percent generates content, nine percent comments. The rest observes.

It’s almost too obvious to state, but intranets are now the foundation for internal communication, particularly in large or global organizations. However, few companies have



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KEY POINTS

- **Global banking giant HSBC partnered with consultancy UffindellWest to carry out research into world-class internal communication.**
- **One noticeable trend that emerged from the research was the increasingly important role that employee engagement plays in the internal communication function.**
- **The importance of technology and how it’s used by internal communicators also featured heavily in the research findings.**

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- ◀ translated this into a central role in driving the online and collaboration strategy for their organization, preferring to eschew the technical jargon and let the IT department take the lead.

Aim for “less is more”

We know that employees are constantly deluged by digital and printed internal communication, which they will respond to by either ignoring or deleting. In a bid to retain the credibility of their communication the most switched on companies have rationalized the number of channels they use or set up criteria that drives when new websites or newsletters can be created. As internal communicators we often face the dilemma of wanting to manage message volume while needing to help different business areas to get their messages across.

One solution is to drastically reduce – or eliminate entirely – printed materials. The regional CEO of one business we approached had banned all print communications to keep to a green agenda. His internal communicators focused their efforts on the intranet and targeted emails, supplemented by conference calls and townhalls. A year down the line and the move had generated significant cost savings and better control and coordination of communication. Employees had also learnt that they needed to go to the intranet to get company news.

Of course, it’s vital to ensure accessibility issues are covered – that everyone has computer access, and anyone with visual or physical impairment doesn’t lose out. You may need to do a limited print run. It’s about doing less, better.

Use strategy to develop a clear agenda

Another way to tackle the volume of messages is to streamline those from leaders in the business – who usually convey their important information via separate employee communications.

Use an executive communication board to unite all the business leaders once or twice a year to review the communication agenda. When they see the whole picture from the employee perspective they’ll recognize the need to prioritize and rationalize message output.

Join up your communications

When it comes to issues like restructuring or corporate actions, employees will turn to trusted external news sources to corroborate internal information. As internal communicators we’re often hampered by a more onerous set of internal sign-off requirements than our external media colleagues, making it more challenging to produce clear material quickly. An internal version of an external news item should give employees context and what they need to answer customer questions.

You can better align internal and external communication by considering the following:

- Integrate the internal and external communication function by introducing split roles.
- Educate internal communicators about what drives the news agenda.
- Push back if you get jargon or “corporate speak” to print from other functions.
- Think about shift working, or out-of-hours and on-call arrangements if your company is in the media spotlight.
- Create a dedicated internal news management role within the internal communication department to drive news around the business strategy.

Structure the discipline like the business

Governance is a vital issue for a global matrix organization. Without a clear structure confusion can reign and internal communicators ending up competing against each other to attract employees’ attention. There’s no “one-size-fits-all” solution to structuring your internal communications discipline, but enduring structures seem to be those that mirror the business.

Should the discipline be centralized with all internal communicators reporting into one functional line or devolved, either to the regions or business units? Centralization makes for greater global alignment to the overall corporate strategy, and better coordination and control of messaging. It’s also more cost effective. But a devolved structure means greater alignment to the business operations, supporting the delivery of more tailored, localized information.

Many companies we talked to are finding that the business partner model is the best of both worlds. Account managers have a close knowledge of their business or function but sit within a centralized functional head office or regional team, and can therefore draw on the skills of specialist event management and online communicators. Aware of all the communications hitting their audience, they can manage the flow of communication, ensure the right cultural

nuance and local context. The biggest challenge here is finding someone with such a broad range of skills, who's both strategic and creative and draws on aspects of management consulting, HR, marketing and communications.

Know your internal communicators

Could you say exactly how many internal communications people your organization has? Are a number working at an operational level within the business who don't report to a head of internal communications?

The 1:1,000 ratio of internal communicators to every employee is a popular rule of thumb. But for the global corporates we talked to the ratio is between 1:1,000 and 1:10,000. Where the ratio is higher, many of these people are working across a split role with external communication. With a better system, and greater emphasis on the line manager's internal communication responsibility, fewer, more strategic, communicators would potentially be required.

The other factor, alluded to earlier in this article, is the spread of work your internal communication team needs to manage. At HSBC head office, the scope of Jo's team spans news management, change communication, issues management and crisis communication. This demands a spread of competences, including strategic, conceptual and planning ability through to strong writing skills and time to keep abreast of what's happening in the industry. This scope should become part of the conversation in resourcing the team as it does in any other well-established functional area where specialist practitioners are recognized, for example, HR, law, IT or finance.

Measure effectiveness

Provided the conversation around communication is allowed to stay at the "I think" rather than the "I know" level, internal communicators will always get talked down by those with more organizational clout. Although many of those we talked to are using the full suite of sophisticated measurement approaches to ensure they have reliable data, from measuring ROI to using pulse surveys and focus groups to gauge the effectiveness of specific communications or channels, many get to the end of a tough project and are too mentally exhausted to do the measurement part or are under too much pressure to move onto the next project. Measurement helps us to argue our value, but a bit like exercising, there's always an excuse not to do it.

Take the cost of line manager training to promote better face-to-face communication. In an

organization with 50,000 line managers, a four-hour training course will cost the business 200,000 management hours – plus the cost of the training. Measuring productivity gains from this activity will be tough but you need to be able to demonstrate in tangible ways why it's worth that kind of commitment.

Many internal communicators often forget that there's now a library of robust research available from organizations such as Melcrum or IABC and sponsored by many of the global HR consulting firms. Lacking your own first-hand research, these secondary sources are very valuable.

In large global organizations pilot studies and control groups are also useful for proving the business case before rolling out a new initiative. In this context, you could run a training exercise with a control group to provide data on its effectiveness.

What all this means for the profession

Ours is an exciting arena to be working in. Technology is changing internal communications at an unprecedented speed – and is bringing with it challenges and rewards. The most forward-thinking companies who are switched on to the importance of employee engagement are embracing this at full speed and using technology to forge genuine and sustainable two-way communication. They're also ensuring that they play a role in driving the IT and collaboration strategy of their company and, while not pretending to be IT experts, are adding IT to the list of internal functions that they need to partner with to fulfill their role effectively. scm

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