

Are you ready to take on the communication challenge?

Building synergy between HR and communication to add value

Research reveals that HR departments are – more than ever – responsible for internal communication activities. But how prepared is HR for this responsibility? Here, Bill Quirke, Managing Director of Synopsis, discusses how HR and communication professionals can leverage their individual strengths to align their efforts for improved business results.

RECENT RESEARCH CONDUCTED by Synopsis Communication Consulting shows that HR professionals are increasingly taking responsibility for internal communication. In a 2002 survey of 100 leading international blue-chip companies, 38 percent of internal communication heads reported to HR directors, a rise from 20 percent in 2000. This shift increases the challenges for HR professionals – it means they need to work closely with marketing and corporate functions and learn how best to approach internal communication in a strategic manner. With increased communication responsibility, HR directors should be asking themselves some vital questions, such as:

- If I own internal communication – where are my weak links and where do I need help?
- If I don't own internal communication – where should I be partnering? What should I control and do I have the necessary strengths?

The same research shows that chief executives are taking the issue of internal communication seriously, and know they need to get it right. In response, some organizations are simply moving it around in the hope it will work. Others, however, have understood they need to locate it in and have it led by the function best able to deliver the business strategy. Either way, HR directors need to be good owners of internal communication or good partners with the internal communication department and to understand why the issue is rising up the corporate agenda.

Becoming business-focused

While HR has been reinventing itself to be more valuable to the business, internal communication has been doing the same. The job of internal communication has changed because businesses are facing unprecedented pressures to deliver in a rapidly changing environment. Organizations need, now more than ever, to engage the energy, creativity, and commitment of their employees.

Research consistently shows that, in this climate, senior managers are most concerned about five things:

- creating competitive differentiation;
- developing new markets and products;
- reducing cost and streamlining processes;
- restructuring, integrating an acquisition, making a merger work, or divesting a non-core business;
- redefining the roles of the corporate center and the divisions.

Successful organizations are discovering that business challenges like these can all be addressed by using internal communication as a strategic tool. Showing how different change initiatives hang together and reducing information overload is an increasingly tough job. Effective communication, however, can help manage change, as well as make implementation easier and faster and reduce resistance. It increases employees' motivation, reduces confusion and demonstrates clear leadership. Good

internal communication helps build a culture that provides an edge competitors can't easily copy. It reduces the cost of recruitment and keeps employees for longer, reducing the cost of replacement.

A closer look at the trends

There are several reasons why HR is overseeing internal communication activity more than ever before. First, organizations have redefined what they want internal communication to do. They used to want it to efficiently distribute information, now they need it to create understanding. They don't want simply to pump out messages, they want to create meaning, and to translate communication into action. Second, companies are beginning to realize that where you put internal communication depends on what value you expect from it. For internal communication to bring value to the business it has to stay close to the heart of the business, where value is created for customers, and where the money is made – i.e., sales in a sales organization, quality in a product organization, marketing in a brand-driven organization and knowledge sharing in a professional services business.

HR has a crowded agenda – and one that often includes change management: helping the organization restructure, downsize or recruit, introducing new ways of working and making it a great place to work, improving performance management and ensuring clear career paths and succession planning. This, in turn, means HR has a challenging internal communication agenda as each of these strands needs to be communicated to get the business and the workforce supporting the overall HR strategy and its implementation. In addition, the introduction of new legislation, such as the EU Directive on Information and Consultation, means that HR professionals need to be heavily involved in ensuring organizations follow best practice when communicating with employees.

Redefining what communication means for HR

As a function, HR is rarely seen as being good at communication. This may be due to the fact that many HR professionals view communication as simply passing on information, and pumping messages – mainly about HR. While individual projects and initiatives are good at telling people what they're doing, what's often missing is the overall HR story and the bigger picture.

In addition, HR can also be seen as a tool of management, simply delivering the managing director's agenda and carrying out initiatives such as restructuring and headcount reduction. This can hamper HR's overall effectiveness as it's no longer assumed to be on the side of the employees or acting as an advocate for worker interests and feeding back employee attitudes and opinions.

Finally, HR rarely understands the external brand and issues around reputation. When HR takes up internal communication it can end up focusing only on employees

– leaving investor relations, stakeholder communications, community affairs and corporate affairs to the PR people.

This separation of internal from external communication has a number of impacts:

- Alignment with the external messages can be broken.
- Listening to the voice of the customer can be lost.
- Employees can lose the external context which is often a pressure for change.
- Communication can focus only on the people issues, and lose sight of the balance between employees, customers and shareholders.

Treated as a team, not a star player.

Ideally, communication should not exist as a single department – it should be a process for which a number of functions are responsible. These functions – HR, corporate communications, IT, marketing, customer service, operations – should each own different pieces of the communication jigsaw.

Brand values, for example, are normally the province of the marketing department, corporate values are often developed by the corporate communication department, and the employer brand, employee values and managerial behaviors are often developed by the HR department. Businesses need to stop thinking about communication as a finite unit and understand who is leading which communication effort, what the roles and responsibilities are, and how they can play to their strengths.

Rather than giving each function a time at bat, organizations want a unified team that plays to its members' strengths. Instead of playing musical chairs with internal communication, they need to orchestrate the functions that each have an influence on it. Companies are looking to make the connections across functions:

- Marketing comes up with brand values which are connected to corporate values.
- HR develops a competency and reward framework and that ensures people act in line with the strategy.
- Corporate communication comes up with the communication plan and the key messages for key initiatives.
- HR trains line managers in the skills of bringing messages to life for their people.

Communication partnership

There are a number of ways the HR and corporate communication functions are partnering, which play to their individual strengths:

Communication air traffic control

Senior management's frustration at the slow pace of change is matched by employees' frustration at information overload



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t and continuous waves of change initiatives. Management credibility and trust are under attack from confused and poorly integrated communication. As communication within organizations becomes more frequent and chaotic, the problem of reducing information overload has become a priority.

This requires organizations to adopt a more sophisticated approach to managing information via communication “air traffic control.” Early planning, coordinated communication, and clear and consistent messages are agreed at the top of the organization. Cross-functional air traffic control teams, including HR and corporate communication, help to plan and prioritize communication to greater effect.

Developing tomorrow's leaders

More organizations are investing in the long-term development of leaders and are turning to HR to help them do it. Because communication – with employees and other stakeholders – is a vital part of leadership, HR and corporate communication must collaborate to develop leaders' ability to communicate. Managers' personal style and skills are often the most powerful communication. However, it's also crucial to align your brand values and employee values to make sure they are all consistent. Training, management competencies, appraisal, measurement and reward are all part of HR's remit and exert a powerful influence on communication behavior.

Building engagement and advocacy

There is a strong link between good internal communication and greater profitability. Greater customer loyalty has been shown to produce greater profit. Such customer loyalty depends on greater employee loyalty and satisfaction. Employee attitude research over the last 15 years shows that better communication creates better employee satisfaction, and improves employee perception of their line managers. Higher satisfaction reduces staff turnover, and higher retention of staff creates higher customer satisfaction and greater customer retention.

Finally, according to management consultancy Bain & Co., higher customer retention equals higher profitability. To achieve this, organizations have to engage, retain and educate employees. The 1998 *Fortune* survey of the “World's Most Admired Companies,” identified companies' ability to do this as the single best predictor of excellence.

Organizations want their employees to speak up for them with customers, with suppliers, and with their friends. HR departments have spent time demonstrating the link between satisfied customers and satisfied employees. Moreover, organizations want their employees to stand up for them as good employers – to say they are being managed well and providing customers with good products and services. Some HR departments have identified the factors that build employee satisfaction, ensuring that employees are happy and willing to have good interactions with customers. In addition, corporate

communication professionals have concentrated on ensuring employees are not only willing but able to effectively advocate for their organization. This means providing employees with the information and knowledge they need to speak in an informed way about what is going on in the organization, why their products and services are good, and why their leaders are taking well-informed and judicious positions on key issues.

Defining the employer brand

HR is increasingly involved with developing an employer brand as a way of attracting and retaining people. This means that HR has to be able to link its work to the corporate brand. To reduce labor turnover, and improve employee retention, companies want to give employees a greater sense of belonging, so they have a deeper connection with the organization. Employees are more likely to deliver on the brand promise effectively if they feel a sense of ownership and pride in what the company stands for, and proud to be associated with strong, well-known brands.

This means that HR, corporate communication, and marketing need to work closely together. In survey after survey, employees report they do not feel well paid or that their benefits do not match the market rate. On closer inspection it often becomes apparent they do not know or understand their overall benefits package – this is ultimately a communication problem.

Measuring outcome, not attitude

Working together, HR and corporate communication are using surveys as a more precise measurement tool. In the past, HR surveys have tested employee engagement and satisfaction, while communication surveys tested employee understanding and satisfaction with communication channels. HR often owns the employee attitude survey – which is shifting from checking employee satisfaction to a wider assessment of employee engagement in turning strategy into action.

Now, the integrated measurement looks at how clarity about messages and satisfaction with channels translates into greater employee engagement and satisfaction, and whether that, in turn, converts into changed attitudes and behavior that take the strategy forward.

Communication planning and communicating change

Because HR has such a busy change agenda, it has a higher requirement for communication planning. Some companies – like Diageo and British Gas – provide communication planning tools and training to equip HR initiative leaders with the process and skills needed to engage employees for a successful initiative.

Rover Cars also recognized the value of integrated planning. The company used to have internal communication teams across the group reporting to corporate affairs at the center to ensure alignment and consistency of internal and external messages. At site level,

internal communication was the responsibility of HR because it needed to link to changing working practices and support the negotiation of new ways to work with the union. A partnership was cemented by having a communicators' network which mixed HR and corporate communication people together. Corporate communication teams worked on identifying audiences and their needs and messages, while HR projected employee responses and reactions, their likely interpretation of messages, the issues that employees wanted to hear about, and how to balance the formal internal communication channels with lines of communication to the union, and from the union to the workforce.

What each side brings to the party

Good internal communication is usually the result of a robust partnership. If either HR or corporate communication is solely in charge, poor communication inevitably ensues. Turf wars between the functions undermine good communication. For every HR director who complains that corporate communicators are all form and no substance, packaging empty phrases in glossy brochures, there is a corporate communicator pointing the finger at HR functions for being all model and no message. So it's good news that both functions can bring

KEY POINTS

- With HR functions increasingly being asked to take responsibility for internal communication, HR directors will need to think about communication as an important strategic tool, one that builds a good employee culture, increases motivation, and thereby improves customer satisfaction.
- HR, with its close alignment to change initiatives and employee attitudes, is in a unique position to further the strategic aims of communication.
- HR directors should be careful to look at external, as well as internal, communication issues around brand and reputation.
- Communication is a partnership, not a solo effort. HR, marketing and corporate communications must all combine to make sure communication is vital, effective, and business-focused.

complementary strengths to the communication table. (See below for details regarding these strengths.) HR's involvement can broaden internal communication from messages and media to include managers' style and skills. It shifts internal communication from megaphone management to a process of creating shared understanding and meaning. A partnership means while corporate communication provides the relevant content, HR creates the necessary capability.



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COMPLEMENTARY STRENGTHS

HR'S STRENGTHS

- HR professionals understand the impact of change on employees and how people go through the various emotional reactions of the change curve. They also know that senior management tend to have a happier view of change than employees, because they go through the changes first and feel more in control of their destiny.
- HR knows the practicalities of employment law, industrial relations, and consultation as well as the constraints of confidentiality.
- By holding employee forums, HR professionals are often the first port of call for problems and grievances. They have a keen sense of the organization's culture, and understand how employees are likely to react to particular issues.
- One shortcoming of internal communication is its concentration on messages and channels to the neglect of how these are used by managers with their people. HR usually has the job of educating and developing managers to be good communicators, so it knows that good communication does not automatically come from distributing good PowerPoint slides.
- HR puts communication skills in the broader context. Good face-to-face communication practice has to be embedded in the organization through the right competencies, reward, recognition, appraisal and measurement programs. HR owns succession planning, for example, and can highlight the importance of being a good communicator to getting on in the business, so that role models champion the cause of communication.

CORPORATE COMMUNICATION'S STRENGTHS

- Planning: because some of their core skills include planning external campaigns, matching the right message to the most appropriate channel and looking to get the best return on media spending, corporate communicators generally have excellent planning skills.
- Issues identification and scenario planning: because of their experience in stakeholder analysis and crisis preparedness, corporate communicators are good at planning ahead and communicating change internally.
- Sensitivity to audiences: corporate communication departments know that they are dealing with a range of stakeholders to whom they cannot dictate, but whom they might seek to influence. Bringing this attitude to internal communication is useful. It treats the employee as someone whose commitment and conviction has to be sought, not demanded.
- Writing: good communication demands the simple skill of effective writing. Great strategies are often undermined by their expression in incomprehensible management speak. Corporate communicators often have journalism training and are able to make dense language accessible. They can help ensure that strategy is translated into a few memorable phases that strike home with the listener or the reader.