

Market Focus: Employees serve as good advocates

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When companies are undergoing major changes, a strong internal communications program becomes more vital. Tonya Garcia reports.

The past few years at Bausch & Lomb (B&L) have been eventful, to say the least.

In 2006, the eye-health company had a global recall of its ReNu with MoistureLoc contact lens solution after it was linked to a rare eye infection that was reported in the US and Asia. In 2007, B&L went private. And throughout 2008, there was a major corporate leadership restructuring, including a new chairman and CEO, Gerald Ostrov.

Today, the economy is posing its own challenges. With a private equity investor holding it accountable, B&L must show its worth over the next four to five years.

Updating employees

'We've found employees saying, 'We thought the turnaround was done and now you're telling me we have another year of turnaround to go,'" says Mike McDougall, VP of corporate communications and public affairs for B&L. All of the changes run the risk of causing what he calls 'transformation fatigue' among the company's 13,000 employees. 'At some point,' he continues, 'the employees give up the fight and say, 'I can't make these changes one more time.'"

Employees are among the best brand ambassadors that a company has, making internal communications crucial, particularly when a company is undergoing major change. And so, companies are executing programs to keep staffers informed about corporate shifts. Such programs help maintain morale and positive relationships between internal and external audiences.

B&L enlisted Makovsky & Company in June 2008 to help with its internal communications program. The approach is to decentralize information flow with shift managers, supervisors, and others taking a lead role. 'In a day and age where we need to move much more nimbly ... we need folks on the line to take communications responsibility into their own hands,' says McDougall.

Among the internal channels now available are an e-mail address for employee questions and feedback, anonymously, if desired; an intranet; and live 'State of Our Business' events that are also available to employees via videoconference and phone. During these events, senior management discusses the company's health with employees, a trust-building activity.

According to Gil Bashe, EVP and health practice director at Makovsky, the ability to treat employees as a primary audience is an asset. 'Here, disclosure is to employees, it's very intimate,' he says. 'The goal is never to dampen the search for information, (but) to become part of the fact-finding. Internal communications is a mini-wire service unto itself.'

Sometimes the change is outside of the company's hands. Like nearly every financial service company, Citi Smith Barney was thrown for a loop by the September 2008 financial meltdown. The company hosted client calls to give investors information about happenings in the markets. Its financial advisors became the pipeline for getting clients to participate.

'The key to Smith Barney is the relationship our clients have with their advisors,' says Jeremy Dickstein, director of business development communications for the company's advisor solutions group. 'The goal of the internal communications effort was to inform our advisors ... and to give them the tools to discuss (the calls) with their clients.' Smith Barney uses daily e-mails, hard-copy newsletters, a company radio station, and other outreach channels to communicate internally. That variety is part of the strategy.

'Provide a multitude of methods because people have different preferences for how they gather and retain information,' says Dickstein.

The client calls continue, as does the aggressive internal communications effort. (As of press time, Smith Barney was part of a pending deal that would give Morgan Stanley a majority stake in the firm.)

Brand ambassadors

Not only are employees responsible for sharing information, they are also meant to keep the brand promise. At **Carolinas HealthCare System (CHS)**, the brand promises clients 'care without compromise.' After a number of acquisitions, the company launched an internal communications program in December 2008 to bring the cultures of the varying healthcare institutions together.

'We needed to make sure employees understood what 'care without compromise' meant and that they could provide the care that was needed in their day-to-day jobs,' says Kate Peters, SVP at DG&A, which handled the internal communications. That internal portion of the campaign helped align employees with the brand promise.

'Knowing the mission is one thing, but knowing how you contribute to the mission is important, too,' says Marty Campanello, VP of marketing and PR at CHS.

Included in the program are a Web site and supervisor toolkits that include discussion points and a scorecard that outlines where a team is in relation to the brand's goal.

Knowing the staff has played a key role in making them brand advocates. In some cases, employees live in small towns where they come in close contact with potential clients, so that advocacy is critical. 'When your employees aren't advocating for you, you're in trouble,' says Campanello. 'There's no amount of advertising to overcome someone saying, 'I work at that hospital and it's got problems.'"

COMPONENTS OF EFFECTIVE INTERNAL COMMS

- Research

Just like external stakeholder groups, internal groups bring different backgrounds, beliefs, and perspectives to the table. Focus groups and other research methods can

help with messaging and strategy

- Supervisors, managers, and other team leaders

Staff members aren't only relying on senior management for news about the company.

Spreading the communications responsibility throughout the chain of command will give employees greater access to the facts

- Multiple channels

In their private lives, employees gather different information through different channels.

Making a variety of outlets available at work helps ensure that the message will get through to employees

- Face-to-face communication

Making managers and supervisors information sources increases face-to-face communication, which, in turn, builds trust among staffers. Availing senior management for in-person communication, even through webcasts and phone conferences, is also effective.