

The Foundation of Trust and Transparency: Essential Executive and Internal Communications Topics

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Recently I spoke at a conference for internal communicators, attended mostly by people with Head of Communications or Head of Employee Engagement-type titles. They ranged from individual contributors to SVP levels. My talk focused on *how to use video effectively to drive better employee engagement* and I presented alongside Dan Ginsburg, Executive Director of Corporate Communications at KPMG.

The talk was well received, but I got some interesting feedback that gave me cause for reflection. People essentially said: “Fine, I get it, video can really work if done well, but what type of content should we be producing? How do we build an ongoing program that is centered around topics that matter most to employees and moves the needle from an engagement standpoint?” In view of these comments, I decided to take some time to further develop the set of communications topics I have been writing and speaking about this past year, and on which I will continue to share my thoughts and observations in the future.

In this article, I identify and describe the essential categories of content that form the foundation

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for best practices in employee engagement; content that builds trust and positively influences company culture long-term. I hope you keep these ideas in mind as you build and fine-tune your own blueprint for internal communications success.

Transparency

If trust is the foundation of all strong, positive inter-company relationships, then transparency is the primary path to achieving that trust. I focus on transparency because it is an actionable topic. There are of course other ways to drive-up trust, but transparency is the main one I focus on herein.

Executives

Start by finding every way possible to let the humanness and goodness of your top executive(s) shine through. In today’s world of compliance, legal reviews and over-produced content, this can be a challenge. As a communicator you need to help your executives speak from the heart.

Having them share snippets of their personal life that show they are just like everyone else in the organization can be a good start and also very powerful, such as:

- Sharing about a kid’s soccer game

- The death of a parent
- A holiday meal
- A time they served others as a family

These stories build a more grounded view of executives. The stories should not be contrived — they are not “photo opps” — rather, they are opportunities to show executives as normal people with common issues and daily struggles. Most importantly, these stories should not be told just once, but created and distributed in such a way that demonstrates an appropriate *pattern* of personal transparency.

It is also important to encourage executives to “walk-the-talk”. Making sure that they take time to meet employees in small groups or one-on-one is another way for them to show their approachable side. Capturing some of these moments can be really useful if they are used to promote ways that employees can join-in on the next “fireside chat”. Consistency is the key. No one thing will move the needle, but a concerted effort across multiple mediums will make a difference.

Financials

Every quarterly all-hands or annual company meeting contains some amount of focus on the numbers. The numbers are, and always will be, important. In fact, presenting what the numbers mean for the company as a whole, and how different roles and people contribute to them, is a great opportunity to create better financial understanding for all.

I remember a great example years ago when a company I worked for made a big acquisition. The move was surprisingly well-received by the stock market. The reason being, as a part of the announcement about the deal, the executive team committed to investors that by the end of the fiscal year the deal would not dilute the committed earnings for the acquirer.

Two weeks after the deal’s announcement, the CEO did an amazing job walking employees through what this meant. He was specific by:

- Budget category
- Sales goals
- Expected gross margin
- Etc.,

Non-dilutive became a mantra for the company for the last seven months of the year. Everyone knew what it meant to their team and how important it was to the company. In the end, the goal was met, and employees celebrated a huge success knowing they made a difference. Transparency was key. The CEO went out on a limb to include the employees of both companies on the strategy for why the deal was done and what financial success looked like.

Decision-Making Process

Transparency in decision-making is a foreign thought for many executive teams. I get the risks, but the benefits far outweigh the downside. Sharing how big decisions are made helps

employees understand:

- Executives' thought-processes
- The weight, or importance, of decisions
- Who was at the table
- Key decision points

That is the definition of transparency.

I'll never forget a situation that arose early in my career. Our team was set to launch a new product that would likely make up 30% of the next quarter's revenue. Late in the manufacturing process, one of the chips came back dead on arrival. It was not a simple problem that could be fixed with a jumper wire, for example. It required a full re-spin of the chip.

We had time for one spin of the chip and one high-volume run of those chips. This meant we had to buy a big run of those chips to make our production requirements for the coming quarter's revenue number. Essentially, a \$1M bet that the chip would work after just one spin.

The Division GM rounded up the entire management team in one room and said these simple words, "We aren't leaving until we have a unanimous decision on what we are going to do." So, we had to decide between gambling that the re-spin would work and buy the first lot of product, knowing if it did not, we would miss the quarter for sure and flush \$1M. Or, push out the launch, make the decision after the re-spin came back and take the hit to the quarter.

The meeting lasted 9 hours, with six large pizzas and lots of diet-coke. In the wee hours of the morning, the 13 management team members agreed to go ahead and take the risk. The next day we had an all-hands meeting and shared with the team our plans and how the decision was made. From there on, no "I told you so's", no second-guessing. We were in it together.

The re-spun chip came back and it worked well enough to launch the product. The following quarter was a huge success. That said, what I remember most was how we arrived at that decision. I have told the story 30 times since. It said so much about our leadership and our culture. The story became folklore and the last time I heard some else tell it, the meeting lasted 4 days ...

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Strategy

Transparency on strategy is something everyone would expect to see on the "essential communications" list. It is somewhat obvious, but it is also hard to do correctly. Quite often organizations end up sharing goals under the guise of strategy. Financial targets, growth rates, etc. are not a strategy. They may be the measurable goals that you assign to determine success, but they are not the strategy. Communicating strategy is about walking employees through how you plan on meeting those goals as well as how they translate to each business unit.

What employees want to understand in terms of strategy include topics like:

- The key elements of success for the company

- A product line expanding to new price points, and why
- Opening new geographies, and why

How to measure success is key to include, but should not be the center of the discussion. I typically see the best strategy slides presented at either Board Meetings or at meetings with financial analysts (for public companies). Those slides may need some edits, but they are usually more on-target in terms of covering strategy than most all-hands decks. Transparency is about showing people what you are doing as a company, why, and how they fit into the plan.

Customer Empathy

Most employees care deeply about what their company does for customers. They may work in finance or in manufacturing and rarely interface with customers, but most want to know how customers use their company's solution to solve complex problems.

Developing customer empathy amongst employees involves setting a tone, or creating an understanding, that is driven by knowledge and consistency. Knowledge in this sense means being informed about what the company does for customers and how important it is to them, and consistency means maintaining this empathy on a day-to-day basis within the business.

What We Do for Customers

Bringing customers in to speak to employees directly or through video is one of the most powerful ways to create customer empathy. Oftentimes customers have a way of verbalizing what matters most to them that stands out clearer than the company's marketing messages. First-hand customer accounts also help employees better grasp the critical nature of the products they deliver.

Regularly featuring customer success stories in your communications is effective, and fun, but sometimes sharing a story about something that went wrong can be even more powerful. Years ago, an old employer of mine built high-end systems that were used to render animation for major movie projects. At one point, we experienced a quality issue with a new product that impacted our shipments for a few months. Internally, this did not seem catastrophic since we were sure we would make it up at the end of the quarter.

However, for one of our big animation customers, it was a disaster. The customer was working on final renderings to support the launch of a feature film and our issues were impacting their schedule to the point of potentially delaying the launch of the movie — ouch!

In the end, we rallied and loaned the customer some incremental gear, and after extraordinary work on the customer's side, they made their deadline. A number of employees from the customer company had to work around the clock and sacrifice weekends because of our issues. Hearing their story directly made a strong impression on our team. From that day forward, we promised to keep the customer perspective front and center in everything we did.

How We Help Customers Achieve

Another way to make strategy come to life for employees while continuing to drive home a consistent message of customer empathy is to highlight the ways that enable the company

to gain new customers. Building products that expand the company's usefulness to existing customers and allow it to serve new ones is something people take pride in. From the start, illuminate what you are trying to help the customer achieve.

Customer Feedback

Regularly sharing with employees the letters, phone calls, tweets and other communications that come from customers is also very valuable. With good feedback, mentioning specific employees the customer may have congratulated is of course a great motivator, but the general sentiment also goes a long way.

You may not always have A+ reviews, but the words of a frustrated customer can still be used to your advantage. Negative reviews provide an opportunity to open a conversation about how the company may need to improve. Of course, in these cases, do not call out specific employee names since public embarrassment is not an effective way to build morale.

Directly linking both good and bad customer feedback cases to company strategy, to drive improvement and support specific goals, is also an excellent connection to make. In this way, you can build a very specific image in employees' minds why improvement in this area matters so much.

Employee Focus

The employees are what make companies great. They are hard to recruit, and even harder to replace when they leave. Focusing on them in video communications is critical and there are multiple reasons why, including:

- It is a great opportunity to reinforce company values
- Give visibility to the things that make the company distinctive
- Chance to show diversity
- Chance to show the power of team work

We Shine as Individuals

Employee spotlights are compelling. Spotlighting an employee means focusing on people that do interesting jobs within the company or have interesting backgrounds.

I'll never forget a quick spotlight a company did on one of their Tokyo-based employees. It was someone in the customer support group who, by most measures, seemed to be an average employee. What was extraordinary, in part, was the 2-hour commute she had to work each day. She lived far from the city on a small farm with her husband and in-laws. They were recently married and could not afford to live on their own yet. They certainly could not afford to live in the big city. Her story really touched people and made them think, especially those in the US and Europe who could not relate to her commute. It also created a connection to our teams in India, where there too we had employees that regularly took trains and buses over an hour each way to work.

In addition, the video showed how she had helped a customer in Japan properly shutdown their system in the wake of the March 11th, 2011 earthquake so they would not lose any of their data from the day's analytics run. I was in Tokyo that day, and can testify to the fact that her ability to

stay focused on serving a customer in the midst of that tragedy was remarkable.

This video spotlight worked on so many levels: human, employee, customer, company. But remember, consistency is the key. Create a program that highlights various employees and create a schedule around this part of your program that builds expectation for the next story. Focus on the normal people, the people that do the work and don't confuse this with getting more transparency from executives.

We Shine as a Team

Team wins are another great way to deliver powerful messages that further reinforce company values. Much success within an organization is achieved through team work, and conversely, many great failures are the result of not working well as a team.

One of my absolute favorite stories of team success took place a number of years ago. The company I worked for had both a high-end and low-end products division. One of our competitors had launched a strong product that fit right between our low-end and high-end systems. It had the computing capability of our high-end expandable range and the cost-effective graphics of our low-end line.

Now, in a company where there was a healthy, but serious, level of competition between the product divisions, collaborating was not always easy. But the team rallied and built one of the company's most successful products to rival what the competitor had produced. The hard part was the expandable chassis board required to interface the graphics and the compute platform had to be built from scratch in less than 3 months, over the Christmas Holidays, by a combined team from both divisions. That board was later named the "Grinch Board" — the board that stole people's time off over Christmas.

Needless to say, the combined team hit the deadline and saved the coming quarter's revenue goals, and ultimately, the fiscal year's goals as well. In those days our products were all named by color and that product was fittingly named "Crimson".

The combined products team was celebrated because they did something outside the box, in an impossible timeframe, with their counterparts from their rival division. They put the company first and showed the power of commitment, and the magic of team work and innovation.



This article is intended to help you come up with a strategic formula for your executive and internal communications content that moves the needle on engagement and trust with your employees. When regularly embedded in your corporate communications program, this content can really make a difference. The topics and approaches I highlight are perfect for video, less so for print. I hope you are now further down the path of developing your blueprint for success and balanced content plan built on rich stories and powerful examples.



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