Changing rooms

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Successfully implementing change within an organisation requires that staff buy-in to the corporate journey, from start to finish. As such, writes Sharon Greaves, management must communicate consistently with personnel at every turn and employ motivation techniques to maintain loyalty.

When organisations undergo changes as significant as mergers and takeovers, the fall-out can be confusing at best for employees who suddenly find themselves in caught in the crossfire. To compound potential misunderstandings, all too often managers assume that staff understand why change is necessary. Rightly or wrongly, they also make the assumption that their people will be enthusiastic as they are for change.

That may be, forwards Malcolm Wallace who heads up motivation and incentive consultancy The Bruce-Wallace Agency, but only if management takes the time to communicate the new state of play in a constructive and consistent manner. “The most expensive item on any balance sheet is the people, yet it is also the most under-utilised,” he warns. “People hate change of any sort. For lasting results the people running the organisaiton must hold the hearts and minds of the people at the very start of the process. It’s about winning respet and gaining trust.”

James Brooke, client services director at Maritz Communications, is in accord. Research, he indicates, has found that the most commonly cited regret among senior management teams is the way in which they have communicated the shift in direction with their staff. After the event they realize that they have not communicated consistently enough with a clear pictorial vision. Nor have they established a sufficient feedback mechanism to listen to what the people on the ground feel.

“Staff have to understand the journey. Often the senior management team is too focused on what the journey looks like to them and not enough on how it looks to the staff involved,” states Brooke. “Staff want clear gains and losses or they will resist the change and fear the worst.”

Preventing ‘Chinese whispers’

Explaining a new message, agencies believe, can be achieved by communicating with employees at every turn and using a variety of motivation techniques to shore up the commitment and goodwill. Above all, they stress it is vital that the message cascaded down remains consistent, for it only needs one boat rocker for disenchantment to set in and rumours to then circulate.

“As a consultant you need to be aware of every single means of communication available and embark on a series of activities most appropriate to the people concerned,” says Wallace of the Bruce-Wallace Agency. “If people misinterpret your message you could end up with exactly the

opposite result you wanted and employees are left feeling incredibly demotivated."

For a company with as many as 5000 employees, for example, it may be too difficult logistically to stage an internal conference. Neither may announcing major changes at a corporate hospitality-type event have a serious enough resonance.

Moreover, adds Wallace, if the company has fallen on hard times, lavishly spending money on events fails to convey the right impression. In such an instance, he says, perhaps it would be better for the chief executive to write a personal letter on headed notepaper to staff as a means of reassurance that they are getting his support. That letter picks up his attitude to staff and managers can then reflect it.

Incentives can also be used to drive in change provided that participants receive clear instruction on what is expected of them, plus coaching that may be required to achieve their objectives.

"Employees need to buy into the change," says TMB Marketing & Communications, head of marketing and incentives Paul Grinstead. "In terms of involvement it can be useful to showcase success stories and initiate a suggestion scheme via a suggestion box or clinic with the best ideas winning a prize." A recognition programme he ran with First National Motor Finance when it integrated with another company did just that. Branch staff were provided with the opportunity to input ideas and show best practice and submitted case studies to area managers with the best rewarded with merchandise.

The pros and cons of new media

Technology can have an important role to play. Emmanuel Gobillot, a managing consultant at Hay Group says: "Although it is still in its infancy, web conferencing really engages with large numbers of people in multiple locations, allowing them to link computers together so they can exchange documents. The advantage of video conferencing is the ability for a number of people to work on a template together. Email, a company intranet and fax back can also be used to get a dialogue going."

However, many agree that while technology is useful to inform people and exchange views, it should by, rights only be viewed as a support tool, alongside corporate videos and newsletters, when it comes to involving an audience. "If staff are impacted by the change, you are looking at engagement through face-to-face communication," Gobillot says.

As such, events most often in the form of road shows, conferences and meetings, come to the fore. "You are effectively using the grapevine but controlling it rather than letting it run wild – leaflets, the internet and videos are just reinforcements of that," Brooke of Maritz says. "Where companies fail is that they think the intranet is a substitute for face-to-face communication," he adds, pointing the finger at a financial services company which had already been through the pain of a merger yet announced changes in pay structure on the internet, automatically causing an outcry.

In another instance, the UK's biggest insurer Norwich Union, which had been through a number of changes following a merger with General Accident and Commercial Union, routinely communicate with staff via a website and newsletter. Both were of high quality and had high production values but, critically face-to-face communication was lacking. "The staff didn't think the company was communicating effectively with then," says Brooke, "and there was a major problem with morale."

Managing managers

In the case of Norwich Union, Maritz also discovered that front line managers had never been developed as communicators. So, to counter the malaise, the agency recently began an experiment with 130 managers, working with each of them for two days to help them recognize the importance of two-way communication.

Now the managers meeting with their teams at least weekly, review improvement, performance indicators and identify things for which they need help – all supported by a website which is used to publish feedback and place it high on the management agenda.

By forcing the organisation to listen to its teams and be proactive, morale is now much better according to anecdotal feedback, and the training will ultimately be rolled out to 300 managers.

Whether it be briefing an entire association or communication independently with teams Brooke strongly feels that line managers are, in fact the most important opinion formers and therefore need to be engaged if change is going to be successfully navigated.

Although a big event or conference can be a powerful communication tool, if line-managers are not given an active role, perhaps leading the syndicates, the experience can turn sour. Says Brooke: "Having the CEO on video or addressing everyone at a conference cuts out the line management structure and disenfranchises them. Their opinions can then turn negative whereas input leads to involvement and ultimately ownership.

Hit the road, Jack

Besides conferences, another powerful face-to-face means of involving staff in times of change and establishing shared values is to roll out a roadshow. For one supermarket group – which had completely lost its sense of direction while taking over ten major groups within a two-year period – Wallace of The Bruce-Wallace Agency explains how he introduced a 'People First' programme aimed at introducing the staff into the culture of the organisation and informing them that people count via a roadshow.

More recently, TMB Marketing & Communications produced a five-stop roadshow in Scotland, with audience sizes at each event averaging 150, for a leading scotch whisky company following the acquisition of the brand by a major drinks group.

TMB senior producer Nik Moore explains "With any merger or acquisition there will often be a sense of unease with staff about the future of the company and their role within it. Unless a company is proactive with their internal communications, a merger or acquisition can easily create what we call the 'information vacuum' whereby members of staff feel alienated from the management and poorly informed on the strategic decisions directly affecting them. This can very often lead to speculation, rumours, HR issues and a loss of productivity. We were asked to ensure that the new company, the new portfolio of brands and the board of directors were presented in the appropriate way to motivate the staff and have everyone facing in the same direction."

Predominantly targeting blue-collar workers – trick workers – the agency had just one shot at making the most out of kick-starting the process of enthusing the audience. "Don't forget, first impressions last in the commercial environment as well," says Moore.

The project was approached from the workers' perspective. Much of the content consisted of employees on video asking (sometimes contentious) questions and airing their concerns and worries about being part of a bigger company. The board answered these live on stage and dispelled any rumours that may have been formulated since the acquisition.

The marketing director then presented the behind the scenes story to the audience about how the company builds a brand. By showing live examples of advertising and brand building campaigns, the audience began to see what happens to the product after it leaves their hands. Post event feedback show that this built up a real sense of teamwork in the minds of the delegates.

As Paul Grinstead, also of TMB, points out: "Communications should be interactive. They shouldn't be a show-and-tell, a fait accompli by management, but rather a process of active involvement and engagement."

"It's not rocket science," claims Moore, "but many companies assume that the annual conference is the perfect environment to just tell people that the presenters think they want to hear. Keep the proceedings short, informative and interactive, otherwise you may as well send everyone a letter."

"Events need not be an expense," adds Moore. "They can motivate staff to become more productive and the company then becomes more profitable." Everyone, in fact, becomes a winner. "The bottom line is that people are looking for truth and honesty without any spin," says Grinstead. "And the buy-in of the people is absolutely essential for the change to be managed in an effective way in order to bring about the vision that stimulated the change in the first place."