

# Critical Corporate Communications

**A Best Practice Blueprint**

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NAOMI LANGFORD-WOOD  
& BRIAN SALTER



JOHN WILEY & SONS, LTD



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## Series Foreword

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I am delighted to be able to introduce to you the *CBI Fast Track Series*. The book you are holding is the outcome of a significant new publishing partnership between the CBI and John Wiley & Sons (Wiley). It is one of the first in a long line of high quality materials on which the CBI and Wiley will collaborate. Before saying a little about this partnership, I would like to briefly introduce you to the CBI.

With a direct corporate membership employing over 4 million and a trade association membership representing over 6 million of the workforce, the CBI is the premier organisation speaking for companies in the UK. We represent, directly and indirectly, over 200 000 companies employing more than 40% of UK private sector workforce. The majority of blue-chip organisations and industry leaders from the FTSE 250 are members, as well as a significant number of small to medium sized companies (SMEs).\* Our mission is to ensure that the government of the day, Whitehall, Brussels and the wider community understand the needs of British business. The CBI takes an active role in forming policies that enable UK companies to compete and prosper, and we ensure that the lines of communication between private and public leaders are always open on a national scale as well as via our regional networks.

The appropriateness of a link between the CBI and a leading business publisher like Wiley cannot be understated. Both organisations have a vested interest in efficiently and effectively serving the needs of businesses of all sizes. Both are forward-thinkers; constantly trend-spotting to envision where the next issues and concerns lie. Both maintain a global outlook in servicing the needs of their local customers. And finally, both champion the adoption of best practice among the groups they represent.

\* Foreign companies that maintain registered offices in the UK are also eligible for CBI membership.

Which brings us back to this series. Each *CBI Fast Track* book offers a complete best practice briefing in a selected topic, along with a blueprint for successful implementation. The aim is to help enterprises achieve peak performance across key disciplines. The series will continue to evolve as new and different issues force their way to the top of the corporate agenda.

I do hope you enjoy this book and would encourage you to look out for further titles from the CBI and Wiley. Here's to all the opportunities the future holds and to *Fast Track* success with your own corporate agenda.

Digby Jones

Director-General, CBI



## About the Authors

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**N**aomi Langford-Wood and Brian Salter are twenty-first-century business experts, practical visionaries and serial entrepreneurs. Coming from very different backgrounds, they are specialists in all aspects of communication and realistic business usage of new technologies, and the development of powerful business and marketing strategies.

A serial entrepreneur, businesswoman, writer and speaker over the past 20 years, Naomi's career has encompassed 14 directorships. Having worked in a variety of blue chip companies, she went on to set up several new businesses including a software house, public relations agencies and consultancies.

Brian was for many years a presenter, writer and producer of business, current affairs and feature programmes on the BBC's World Service and BBC Radio 4. He has subsequently directed communications divisions in household-name companies.

Because of these core skills, their company – Topspin™ Group ([www.topspin-group.com](http://www.topspin-group.com)) – has increasingly found itself in demand for high level advice on the use of communication and emerging technologies within business and – in the process – recognised that the cornerstone requirement is often to conduct a company communications audit, as a prerequisite to creating effective market positioning and customer-focused strategies for the client.

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# Introduction

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In 2001, when the green light was finally given to BAA plc for the building of the new Terminal 5 at Heathrow Airport, it had followed a full 13 years of political lobbying, press relations, public relations, customer relations, investor relations and any other relations you could care to mention to achieve the decision seen as crucial by the airports operator. The then-MD of Heathrow Airport Ltd, Alan Proctor, had even set up a team in his Public Affairs division way back in 1988 to start planning the whole communications exercise, knowing that to get the go-ahead for such a massive project could, on past record, take well over a decade to achieve.

Yet when Christopher Tyrrell set up Tyrrell Automotive in a tiny business park on the outskirts of Buckingham in 1999, how did it manage to attain almost instant success with no advertising, no paid-for public relations work and no press contacts, while relying almost solely on the merits of a website to promote its services, from which all its business flowed?

No business is an island and, without exception, communication lies at the heart of every successful – and unsuccessful – business. It's obvious that any business needs to communicate with everyone who has anything to do with it. But what, how, why, when and with whom are the key questions to be asked with every form of communication.

We'll be starting out in this book with that last question: With whom? All organisations need to communicate with a number of different audiences, and sometimes what they say to one will not necessarily be the same as what they wish to say to another. Likewise what feedback they solicit from one may not be what they solicit or receive from another. External audiences, for instance, may be given a slightly glossier picture of the fortunes of a company than those within the organisation. There will almost certainly be those, too, who

will need to be ‘in the know’ with regard to any bad news or commercially sensitive information, and so getting to know your audiences has to be a key consideration in any business. There is a very fine dividing line between showing something in a good light and giving misleading information.

Just as important as identifying the key audiences that you wish to reach and communicate with is knowing what it is you want to communicate and why you are trying to say it in the first place. Surely that’s obvious, isn’t it? Well, no, it isn’t. It is quite surprising how many organisations ‘open their mouths before putting their brains into gear’. So we will also be looking in this book at some of the things you may wish to be communicating with your audiences since communications can really be viewed only in a holistic way, otherwise one could argue that the whole exercise has been a waste of time.

Finally, knowing what it is you want to communicate is only half the story. Nowadays there is a veritable plethora of communication channels available, some of which are good in some situations but hopeless in others. So we will also be concentrating on the means whereby the flow of information can be effected.

It is an unfortunate fact that something that most people tend to take for granted so often ends up as a confused set of ideas. When disaster strikes, two normally sane people – who if you asked them individually about their ability to communicate would see no problems on their side – invariably find that they have not understood one another’s viewpoints.

But communication has to be continuous, to encompass everyone and to take into account all the implications; otherwise by its very nature it has failed. Yet it is often found that communication channels are invariably built in a haphazard way and tend to fall off, the higher up in the organisation you go. Chief executives and senior management are notoriously bad in the way they communicate their thoughts and ideas to the rest of the organisation. If something is obvious to them, then why cannot the workforce see it too? Similarly, just because an organisation ‘knows’ its products and services are superior to those of its competitors, why can’t every idiot on the high street see that too?

The answer is simple. Each of us is bombarded by information every minute of our lives; so much so that we all take it for granted. Yet we base our decisions to do anything on our experiences, knowledge and feelings – often brought on by a feel-good factor – which, as we've just said, is continually changing. Busy directors may not even realise that their knowledge base could be totally different from that of one of their subordinates and they therefore may overlook to pass on what they regard as total common sense, whereas others might not have the knowledge with which to have come to that conclusion in the first place. And if the company staff are being kept in the dark, what possible hope is there for the customers or suppliers to read the minds of the company directors?

Other reasons for non-communication are many. For instance, many managers still believe that only 'good news' should be told in order to keep up staff morale and to keep customers happy. The problem with this is that bad news invariably leaks out and the rumour-mill is set in motion.

Directors also have a tough time. On the one hand it is illegal to mislead the financial markets with false information, but on the other hand they must guard against private information being used for insider trading.

What on earth is a director or manager to do? For many, it is much easier just to keep quiet and to live in one's own personal cocoon, which results in a workforce that appears remote from the organisation and a management that fails to make the most of the available talent. The potential customers, meanwhile, feel let down by an organisation that appears to care little for them and, in the new world of fast-moving technologies there is absolutely no reason why any customer needs to feel loyalty to any organisation, just because they were a 'captured' client in the past.

So setting up effective communication within any organisation should be structured and implemented from the very highest levels. We all know the classic tale of Rolls-Royce, which failed to listen to its workforce, its suppliers and its competitors, failed to heed the market signs and failed to invest in new engine technology with the result that bankruptcy loomed large and shareholders lost their shirts.

Times have changed a great deal since those days. Faster change is now the norm in most organisations and companies need both to embrace change and to communicate the effects of that change if they are to survive in the modern world and grow their businesses and customer base.

Simply put, non-communication is not an option and poor communication could well lead to corporate death.

## **What's It All About?— Communications and Language**

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**B**usiness is all about communication – well, to be more accurate, business is all about communication and making money, since there would be little point in a business communicating anything if it didn't make any money.

But in an era dominated by technology and communication channels, what once appeared to be a simple process for all businesses has become ever more complex, such that many companies fail miserably in their communication efforts.

Communications is one of those grand sounding words, which can mean everything and nothing at one and the same time. All businesses need to communicate with their employees if they want the best out of them, with suppliers if they want the right raw materials at the best price, with shareholders if they want to keep them on their side, with customers if they want to make any profit at all, and with the community at large since no one – let alone any company – is an island and can act totally unaffected by the community at large.

Successful communication applies equally to manufacturing industries as it does to service sector or public-sector organisations. Everyone is involved in one way or another but the problem is that few people are taught to communicate in a manner that is suitable for business. In social communication we can afford to be sloppy in what we say since in general both parties know one another and can take it that things left unsaid can be taken as read. (When we use the word 'say' we can equally well mean write, of course, or any of the other forms of communicating that we shall be examining in this book.)

But in a business environment, communication has to be clear, precise and unambiguous and, if you want to avoid being bitten in the bum at some later date, it needs to be formal in nature and planned carefully.

Communication – whether it involves organisations, individuals or groups of individuals – requires a minimum of two parties. Although one party may be the initial sender of a message and the other the initial receiver, both sides need to take on both roles if successful communication is to occur. This is because feedback – even if only a nod of the head – is essential if the sender is to get confirmation that a transaction has been completed.

While writing this book, we were driving along a seven-mile stretch of road in Cambridgeshire one evening and outside every single house were bags of rubbish, which had been left out all day waiting for collection from the dustbin men. It was a week after Easter and quite obviously the collection rotas had been changed for that week to take account of the public holidays. We rang up Huntingdon District Council in whose patch this eyesore had occurred to ask them why no one had apparently been told of the changed collection times. ‘We communicated the new collection times to everyone,’ we were told by an officious spokesman in the waste operations department. ‘They were printed quite clearly in the local paper.’ We pointed out that from the look of things, the majority of people obviously didn’t get the local paper. ‘That’s not our fault,’ came the reply. ‘We communicated the dates and times, but if they don’t read the local press, that’s not our fault.’

Need we say more? Actually, the following bank holiday a letter from the council was sent to every household giving the times of the collections – addressed to ‘the Occupier’. So they took it on board.

The ideas communicated can be either verbal or graphical – verbal in the sense of spoken, written or emailed, for instance, and graphical encompassing any message that can be encapsulated as a visual image. After all, we know that a picture can paint a thousand words (and equally that the best television pictures are on radio, where the mind can conjure up detail hugely superior to a mere TV screen.)

Although these direct channels are essential elements of communication, there are a number of other indirect channels that many businesses ignore, but that can be a major source of poor communication if handled improperly. Think of the importance of body language, for instance. We are all very quick to make instant impressions of people by the way they look or the body signals they give off. Someone who is unable to keep eye contact and is always looking away from you is likely to be giving off indirect signals that they are untrustworthy or certainly not someone you can rely upon, even if the real reason is an outward sign of shyness. Indirect communication channels can also include the environment in which the message is being conveyed, or even the relevance of some comment in the context of the whole message.

Communication can also be prevented or minimised by interference that stops a message from getting through. Extraneous noise, be it someone digging up the road outside, or a protester heckling at a meeting, can often divert the receiver's attention from the real message getting through, but interference in the form of preconceptions on the part of the receiver can also play a major role in a lack of comprehension. If your customers don't trust you as a company because of something they may have heard about you, then it may not matter what you say to them because everything you do say will be treated with cynicism or simply not believed.

So barriers can exist in many different forms, but with the commonality of ensuring that core messages are either hindered or stopped altogether from getting through. Although downsizing has recently played a considerable role in making flatter, more responsive organisational structures, the top-down hierarchy – so beloved in former manufacturing industries especially – was divisive in splitting people both horizontally between departments and vertically between the various layers of management. This gave rise to the 'them and us' attitude so prevalent in the heavily unionised industries of the last century.

A further element of this departmental segregation has been that although people may communicate well within their own department, they may not see the overall picture of what the company is

trying to do because they are blinded by the need to fulfil their department's objectives at the expense of other departments that they may see as competitors.

The vertical separators that are epitomised by executive directors devolving power and control to senior managers have only exacerbated the separation between senior directors and the rest of the workforce, resulting in an isolated executive and disgruntled employees, so typified by the nationalised industries that were starting to die out in the 1990s. Yet it's a truism that in many businesses today a large proportion of the people who make up a company have little or no contact with the company's customers and are therefore blind to the problems experienced by the very people who pay their wages – those selfsame customers. Instead, they are too busy fighting for their own position and perks instead of aiming to improve the business generally by serving the customers.

Again, this was typified by the so-called 'fat cat' bosses of the nationalised industries who were on a totally different wavelength from their subordinates, who in their turn distrusted the executives and lapped up the stories of fat-cattery in action as written up in the tabloids. (We remember all too well the CEO of one utility, which is best kept incognito, who quite literally did not know either the name or the position of the person who occupied the office adjacent to his because he used one corridor to access his office while his underling entered the same floor from another doorway. In confidence he admitted that he would feel too embarrassed so late in the day to actually walk around the corridor to find out who was there. 'What if I didn't recognise them?' was his lament!)

The results are clear for anyone who may wish to look. Executives of some companies are well known for communicating their decisions down the corporate ladder with little comprehension of what the impact of those decisions will be, either on the company or on the people who have to implement those decisions. This may well be backed up by executives who fail to adhere to the values they set others and who fail to set measurable performance yardsticks by which others can measure success. In other words, they are bad leaders.