

# Keeping Employees Focused During Tough Economic Times

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# Must Educate Mgmt: Benefits of Communicating/Motivating Employees

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- ❑ Most credible sources of information
- ❑ Most important resources to achieve competitive advantage
- ❑ Fear of not knowing is worse than knowing the bad news
- ❑ Fear = paralysis = low productivity

# Understanding Environment in Which They/(Us) are Living

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- ❑ Lack of information & understanding
- ❑ Bad news!(Stock Market, Layoffs etc.)
- ❑ Media sensationalizes
- ❑ Advanced technology & 24/7 news environment
- ❑ Leaders don't have all the answers
- ❑ Expectations of transparent communication
- ❑ Turf protection vs. support

**Higher Intensity**



**Less Intensity**



# Environmental Scan

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- Is your industry or related industries in trouble? Stock price down? Sales down?
- Layoffs or threat of layoffs in other, similar organizations?
- Layoffs or threat of layoffs in your organization? Department?
- Relatives, friends in trouble?
- Personal financial trouble?

# Internal Culture Scan

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- Managerial style & training – good communicators?
- Cross-organization sharing – turf protection or teambuilding?
- Valued listening – bottom up feedback valued, acted on or ignored, discouraged?
- What's your organization's culture going in?
- Salary cuts, furloughs, 401k stoppages?

# Research

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Find out what employees are thinking, feeling, doing:

- Formal and Informal Research
- Word-of-mouth/Grapevine/Social Media
- Behavior: do they stay or do they go?

## Economic Crisis Communication Strategy

### Low Anxiety, Concerns, Fear

#### Strategy:

- Traditional but continuous comm.
- Monitor and respond
- Isolate and Solve
- Supervisor as Communicator
- Goal focus

#### Tactics:

- No new methods but increase frequency
- Research – dipstick, opinion leaders
- Workshops: financial, stress mgmt,
- MBWA senior management
- Goals that contribute to bottom line (energy savings, customer service)
- Employee Action/Role (ambassadors)

#### Message Strategy:

- What makes a difference
- Reinforce what is going right
- Productivity & performance
- Role of employee as ambassador

### High Anxiety, Concerns, Fear

#### Strategy:

- High Touch
- Secure and Hold
- Isolate and Solve
- Management as communicator
- Objectives Focus

#### Tactics:

- Face-to-Face
- One-on-ones
- Education: financial, stress mgmt
- Cheerleading w/o spin
- Small steps on critical goals
- Customer Service Strategies
- Employee Action/Role (ambassadors)

#### Message Strategies

- Reality w/o fear – calming
- Transparency
- Education

# Examples of What's Being Done Now

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## ❑ **Actions Speak Louder: Cutting Expenses Before Jobs**

- Starbucks CEO salary drop, \$1.2 million to under \$10,000/yr.
- Motorola's freeze on pension plans/401K matches (plus CEO salary cuts)
- Fed-Ex base salary cuts for CEO & senior execs
- Eastman Kodak: required "unplugged" furloughs

## ❑ **Employees As Ambassadors**

- "Invertising" & internal buzz-building

# Examples of What's Being Done Now

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- ❑ Using Social Media To Highlight Employee Talent
- ❑ Communications Training
- ❑ Community Involvement/Social Responsibility:
  - Timberland: 40 Hours of Service  
[www.timberlandserve.com](http://www.timberlandserve.com)

# Example of What Not To Do

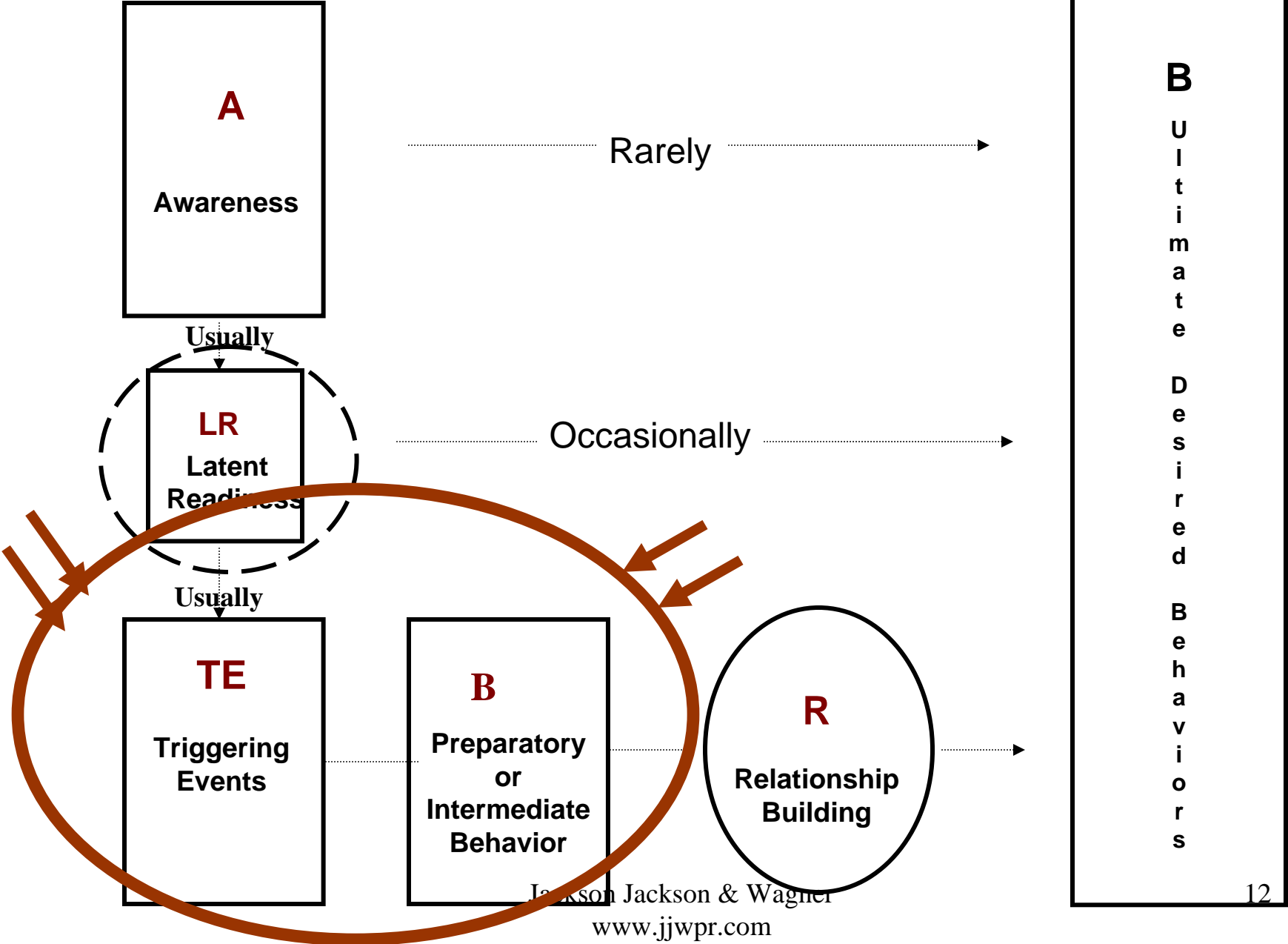
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## ❑ Microsoft's severance overpayment to laid-off employees

*"Last week, 25 former Microsoft employees were informed they were overpaid as a part of their severance payments from the company. This was a mistake on our part. We should have handled this situation in a more thoughtful manner. We are reaching out to those impacted to relay that we will not seek any payment from those individuals"*

# Behavioral Public Relations Model

www.jjwpr.com



# Parameters Of Activities

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- ❑ **Authentic** – not “flavor of the month” but true to values
- ❑ **Sustainable** – continue after upturn
- ❑ **Meaningful** – not make work but actually contribute, make a difference
- ❑ **Measureable** – show that it is making a difference in morale (attitude, participation, productivity, etc.)

# Activities to Consider

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## External focus

- Ambassador
- Social Responsibility

## Internal focus

- Teaming/Collaboration
- Communication
  - Lateral
  - Bottom-up
  - Top Down

# Ambassador Programs

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- ❑ Employees are ambassadors – whether they want to be or not!
- ❑ Know internal opinion leaders
- ❑ Participants
  - 5% Hand-picked
  - 10% Self-Selects
  - 85% Everyone Else
- ❑ Identify & assign responsibilities, train on talking points, keep updated and involved

# Social Responsibility

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- Aligned with organization purpose
- Localized & flexible
- All levels participation possible
- Cost: limited to negligible
- Connected to employee ongoing commitments/connections (original or piggyback)
- Opportunity for feedback from community

# Teaming/Collaboration

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- Cross division/department learning opportunities, planning
- Skill-base sharing
- Cross-training within departments
- OD counseling
- Brainstorming sessions on cost savings, opportunities, etc.
- Celebrations

# Communication:

## Lateral/Bottom Up/ Top Down

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- ❑ Suggestion box, on-line input, feedback mechanisms to upper management
- ❑ Expanded listening skills for managers, guided questioning forms
- ❑ Skill set “promotion”
- ❑ Emphasis on traditional “people” stories – anniversaries, activities, promotions, weddings, etc. – the “human” equation.

# But, When Layoffs Loom...

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- ❑ Create **cross-functional team** – HR, Legal, Communications
- ❑ **Plan and script** employee notification, Q&As etc. for one voice
- ❑ **Coordinate internal and external** layoff announcements
- ❑ Monitor **traditional and social media/internet**
- ❑ **High level leadership visibility & communications**, with supervisor support

# When Layoffs Loom...

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- **Honest, transparent communication**
  - **Be open** about rationale, the facts leading to the decisions
  - Don't say it's the only layoff if it isn't!
- **Treat severed employees fairly**
  - Ample notice, packages, outplacement assistance
- **Watch the contradictions!**
  - Expensive conferences & parties
  - Senior level management perks

# Pay Attention to Those Left ...

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- **Evaluate available communications tools and techniques – add if needed!**
  - Town Hall Meetings
  - Small group discussion sessions
  - Use technology
  - Feedback links – post FAQ's
  - Workshops on training, job skills, finance, stress management, health and wellness

# Pay Attention to Those Left ...

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- **Allow mourning** for lost colleagues
  - But not wallowing
- **Clear direction** moving forward
  - Keep focus on specific tasks, objectives, goals day-by-day
- **Focus on Motivation**
  - Credible message points, activities to keep everyone on the same page

# During Times of Uncertainty...Communicate!

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- According to a 2007/08 Watson Wyatt Survey, effective employee communications is a leading indicator of financial performance.
- A mid-October '08 survey of 248 US-based companies indicated that many expect to increase employee communications.

# Top 8 Recommendations

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1. Be as **transparent** as possible
2. **Educate** so they understand!
3. **Set goals but focus on objectives** – connect personal w/organizational
4. **Involve and engage all levels** of employees... make it key part of culture!
5. **Spotlight** the role models
6. **Train spokespersons**
7. **Coach the visionary** for the organization
8. **Communicate, communicate, communicate**

# Questions? Discussion?

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For More Information, Visit Our  
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