



## **Getting the message across... Communicating effectively in tough times**

Event report from a joint session of the MPF HR and Communications Panels held in London on 25 March 2010

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Bill introduced himself as a consultant and therefore as someone who sees something work in practice and wonders if it will work in theory. Times are tough with a significant impact on people and communications, the two MPF Panels brought together for the breakfast session. As times get tougher, it becomes ever more important to identify the message and how it is coming across. Bill finds a high level of naivety at boards with a 'people must accept the changes' attitude very prevalent. This leads to a clash of values and culture with the leader often the only element that can bring sense to discord. This means that it is vital to coach the leader, especially as partners keep jumping the tracks: one minute a leader, the next a steward. And it is leaders who build trust.

The truth is that no-one worries too much about communications in good times. As a crisis progresses, things fragment. Did we really shred those documents? And trust fragments too. People start asking questions and become Kremlin watchers. Leaving your desk in office hours invites suspicion.

So the message to communication and HR experts is whether your communications process is fit for purpose. Suddenly everyone's watching. Fairness is important. Regulatory pressure increases. Leadership's trust in employees reduces as people become aware of the impact on a firm's reputation of a maverick sounding off. Every employee is a potential journalist in a YouTube world.

Loss of faith in leadership is nothing new – it's just worse this time. Most people are sympathetic to their immediate supervisor. "The trouble is those bastards' two levels up." And if the leadership group does not trust each other, all hell breaks loose.

A lack of stability leads to a loss in credibility and understanding of objectives. People start looking for the hidden agenda and are more sceptical 'You would say that'. It gets to be like running up a down escalator. Unless you pick up the pace, you will go backwards.

What destroys trust? Bill showed that comments like 'Good to get rid of them if they could not stand the heat' are counter-productive. The reality is that good people leave first as they are

most employable elsewhere. And once the cycle changes (as it always does), how credible are statements of the importance of the employees to a business.

The prime sources of communication impact are 61% leadership; 32% infrastructure and only 7% formal media channels, according to Towers Perrin. “We network, they gossip” is not an uncommon attitude. There is also the paradox that while everyone believes that they are doing an excellent job, 50% do not know the strategy and therefore what is required of them. Other insights from Towers Perrin are that it is off-duty moments that make most impact. A robotic leader full of management speak is soon found out.

The ideal approach has four stages: focus, articulate, model and engage but this does not allow for different people having different communication styles, for example – ‘Just do it’; ‘I have a vision’; ‘Here’s my 31 point plan’; and ‘I feel awful about this’. It is challenging for people with different styles to communicate. A FD may find it hard to show that he or she really relates to people. So may work with colleagues in HR who are stronger at relationships. Another common feature of communication is that people share the outcomes of their thoughts ‘It has to be pink and in the corner’ rather than the context and process, resulting in misunderstanding, frustration and confusion, described by Bill as ‘the ashes of enthusiasm’.

The task facing communications and HR experts is to coach leaders in the right communication style for a particular context and type of message as inconsistency breeds security. If people do not feel engaged by a communication from the leader, they will stay on the sidelines or disengage. It’s depressing that 70% of employees feel that they cannot say what they really think. So they want to hear an honest assessment from their leader, while accepting that being over-negative (‘we’re screwed!’) is an invitation for everyone to find a new job. So play the devil’s advocate by asking tough questions as part of the rehearsal for that big speech. Make it memorable but make it safe.

Keith indicated that he has a check list of five things: setting the context; empathy; hope; involvement and next steps.

**Context:** Many people overlook the need to set the context for a message. His experience over the past year had been that people were very uncertain and wanted a dialogue of what is going on, especially the financial consequences. Professional firms are full of bright and busy people with diverse interests who measure time in small portions. This makes it difficult to have an internal conversation as there are so many other items competing for people’s attention. So the trick has been daily summaries and quick town-hall style meetings to present market data, followed by an open discussion on key implications for the firm.

**Empathy:** Understand your audiences and how they feel. Position your messages to take account of the audiences’ concerns. Make sure your leaders demonstrate their understanding and challenge them with the questions their teams are likely to ask.

**Hope:** Always look for some positives in any situation, while avoiding spin. However tough the situation, your leaders have to be seen to be working towards a better outcome and something. Don’t encourage despair.

Involvement: Never assume either that people have all the knowledge or that leaders have all the answers. Be aware that in some firms the debate only begins once the decision is made, so engage them and allow the discussion before the decision is final.

Next steps: Always give people a call to action – even if it doesn't solve the problem, it should help in some way.