

The common link in nearly all major change initiatives is the emotional impact it has on those communicating about it and those affected by it. If handled badly, organizations risk losing the trust, commitment and morale of its people. In this article, Helen Coley-Smith and Jacqui Hitt introduce the concept of “high concern” communication, and explain why it demands a unique set of principles, tools and techniques.

A new skill set for managing major change

Preparing the organization to deal with large-scale change

By Helen Coley-Smith and Jacqui Hitt

For most organizations, going through some kind of business transformation or change process has become the norm. Tough economic conditions, changes in technology, increased competition, the impact of new legislation and many other drivers mean almost every industry is in a state of flux.

A good example is Cadbury Schweppes announcing in October 2003 that it plans to cut its workforce by 10 percent worldwide in order to rationalise and achieve greater efficiencies. Cadbury Schweppes has a long history of taking care of and providing for its employees, but external pressures mean that even relatively stable industries are having to rethink the way they do things. And it's no longer the case that companies have to be in financial trouble to make significant changes – it's happening even in industries that continue to deliver good profits and returns for their shareholders.

What this means is that communication and

HR professionals are increasingly required to manage and communicate large-scale, far-reaching change, alongside “business as usual” activities such as brand and business strategy programs. Many of those changes are tough and have the potential to significantly impact on the careers and livelihoods of large numbers of employees. For example, according to The Work Foundation, 148,000 manufacturing jobs were lost in the first quarter of 2003 in the UK alone. Communicating this and other types of “high concern” situations effectively is therefore crucial for both the individuals involved and the companies they work for.

What is “high concern” communication?

Quite simply, high concern communication refers to any communication that will have a significant personal impact on the recipients and those communicating the changes, including line managers. Usually, the change will be perceived as threatening because it puts an individual's job and financial security at risk.

Minimising the business risk, ensuring customer service doesn't suffer and maintaining employee motivation are all major challenges that result from high concern situations. Communicators need to understand the psychology behind this type of change, and call

upon a specialist set of communication skills as early on in the process as possible.

Are you facing a high concern situation?

The following checklist may be useful for assessing whether or not the changes your organization is planning are likely to create a high concern situation requiring a more sensitive approach to communication. A much more detailed assessment of potential impacts will be needed when planning for a specific situation, but to begin with, ask if the changes ahead will:

- Affect team structures, reporting lines and/or individual job roles?
- Involve redundancy, relocation or redeployment?
- Require people to reapply for their jobs?
- Require changes to people's terms and conditions of employment?
- Significantly change the way people do their work – and therefore their role?
- Change the systems and processes people use to do their work?
- Change people's profile and/or power base within the organization?
- Impact on the organization's internal and/or external reputation?
- Affect people's pensions or other benefits?

If the answer to any of the above questions is yes, then you will need different communication principles, tools and techniques to those used for regular communication.

What are the likely issues to arise?

Based on our experiences in a variety of organizations, high concern situations tend to throw up a number of common issues and challenges – some positive, some less so.

On the downside, for example, they can:

- Highlight a lack of internal capability among project teams, HR and communication professionals, leaders and managers in communicating changes that are difficult and sensitive.
- Create uncertainty and even panic among leaders about what to say and when and how to say it. This is especially true if what is being announced has stock market implications.
- Create angst, particularly among managers in the operational side of the business, about people's roles in communicating changes and their ability to communicate them effectively to people they have close working relationships with.
- Generate issues around how to ask people

Helen Coley-Smith is an independent consultant. She has spent over 10 years working in communication and change management, in consultancy and in-house roles. Helen has worked with a variety of clients such as INVESCO, BP, Pfizer, American Express and Easyjet.



Jacqui Hitt is an independent consultant. She has spent over 12 years working in communication, coaching and change, focusing on helping organizations to achieve better results. She has lived and worked in the UK, US and Asia. Her clients include BP, British Airways and INVESCO.



impacted by the changes to communicate the changes on to their teams.

- Cause worry about if and how to manage the employee "grapevine."
- Create discomfort about how to manage the tension between communicating early and not having all of the detail managers and employees want.
- Exacerbate already underlying tensions between individuals and teams, be they functional specialists or line managers.
- Dramatically increase levels of mistrust among managers and employees.
- Unveil power structures, particularly to those involved in managing the communication of changes.
- Expose corporate culture and leadership styles in the way that the business handles change and communication.
- Require the involvement of unions, staff consultation and other legal bodies in making changes.

On the positive side, high concern situations can also be a catalyst for:

- Creating disciplines, methods and frameworks that are more rigorous and can be used to

↓ KEY POINTS:

- Major organizational change is no longer an unusual occurrence. Practitioners need to develop a core set of skills and competencies to deal with change announcements and supporting communication.
- Large-scale change usually has an emotional impact on both managers and employees. Any announcement that is likely to cause "high concern" within the organization demands a new set of principles and guidelines.
- Those involved in communicating change, such as managers, need as much support and guidance as those on the receiving end of change messages.
- Change initiatives will invariably reveal both the strengths and weaknesses of organizational relationships and power structures.

- ◀ manage change and regular communication more effectively in the future.
- Helping leadership recognize the skills, insights and value HR and communication can bring as a business partner.
- Making managers more mature in their approach to people management. The experience of having to deal with difficult, emotional situations can help them to understand their staff better and manage them more comfortably.
- Creating more cooperative relationships between different people and parts of the organization, giving people a sense of “we’re all in this together.”
- Providing newer, richer challenges and interesting work for HR and communication professionals who feel their work is too process and transactional-based.
- Giving HR and communication professionals and line managers valuable experience in managing difficult situations and the reassurance that if they can manage one situation they can manage another.

Create a set of communication principles

When dealing with high concern communication it’s important for executives, HR and communication to agree and follow a common set of principles. Without this there is a risk that the people affected by the changes will receive differing treatment and conflicting messages, which in turn can fundamentally undermine credibility and trust. Here are some principles that can be put in place right at the beginning of the planning process, to underpin ongoing communication activities:

- Acknowledge and help others to understand

that people will have emotional reactions to changes, and that this is a normal and necessary part of people’s personal change journey.

- Work closely with the people who are responsible for communicating the changes to employees. Invest much more time and effort in supporting them than you would if you were dealing with regular communication.
- Allow both managers communicating the changes and employees on the receiving end, time and space to absorb the changes and what they mean for them. Build this “absorption time” into communication plans.
- Communicate early, even when you don’t have all of the detail. This will help get rumors out in the open, which can help take pressure off line managers and help staff to see that you are treating them as adults.
- Help managers to understand that it’s okay for them not to have all of the answers all of the time. This is often an issue for managers when they are asked to make initial announcements to staff.
- Work with your external communication team to align internal and external messages. Remember that your employees are also readers of external media.
- Ground your leaders and your communication in reality. Remind employees that those driving the changes have reasons for implementing them. Remind leaders that employees are likely to view things very differently.

Getting things right from the start

The following tips are useful to bear in mind when preparing to communicate change within the organization.

Clarify roles and responsibilities: It’s really important that HR, internal and external communication all work effectively together and clearly understand each other’s roles, responsibilities and perspectives. In the run up to any announcements things can get frantic and if roles and responsibilities are not clear, mistakes are more likely to happen. It’s also critical that only one or two people have ultimate responsibility for decisions and sign-off.

Get senior manager support: Ask senior managers to make time to support those delivering the difficult messages. If they are not directly involved in communicating, they need to actively support those members of their team who are – even if it’s just a phone call to find out how things went.

↓ HIGH CONCERN SCENARIOS

The following announcements are likely to require a specialized approach to communication:

- Organizational restructure
- Merger and acquisition
- Redundancy
- Relocation
- Outsourcing
- Poor business performance
- Leadership crisis
- Divestment of a business
- New terms and conditions
- Introduction of shared service models

Be clear about the company's legal obligations: It's a legal requirement (and professional practice) to consult with employees when a large number are affected by a business decision or announcement. Check with your HR team on the legal situation as it will vary by country.

Create a clear timeframe: Share with people communicating the changes the key dates on which communication needs to happen. This can help to calm people down, especially if they are panicking about how and when to communicate.

Think about who should be informed: Don't forget to manage all your stakeholders – communicate upwards as well as downwards and across the organization.

Be consistent: Maintain tight control over key messages and create a core set of materials at the beginning of the communication process. This will help create a sense of consistency around all change communication.

Get some best practice advice: Seek external support at the beginning of the process if you feel unprepared, particularly if you:

- are new to high concern communication;
- know it's been done badly in your organization in the past;
- have a consensus-based culture;
- have a unionized workforce.

Give people the support they need

Much of the anxiety arising from change communication is the result of uncertainty about the future. Providing as much support and information as possible can reduce anxiety significantly.

If people are being asked to reapply for their role and job selection is involved, then it's vital that everyone understands how the process will work and the timescales. Communication materials presented in a simple style make it easier for people to share what's happening with their families and helps make the situation a little less stressful.

If people are being given a number of options about their future, then they need full access to any information that will help them make the right decision. For example, if people are being offered voluntary severance, they need to know the implications for their pension. If relocation is an option, they need to know on what basis. Not providing this more detailed information creates frustration and anxiety, which in turn can affect morale and productivity.



VIEWS ON TACKLING CHANGE:

As part of a research exercise into how communication and HR professionals are tackling change communication, Helen Coley-Smith and Jacqui Hitt canvassed the views of senior practitioners and operational managers across a number of sectors and organizations. Here's a snapshot of what they said.

• **The HR professional's view:** "Change is difficult for people to handle because so much of it is beyond our own personal control. What matters today can rapidly be replaced with a very different way of doing things. Over the last 12 months, we've been working with our people in supply chain to help them adapt to and deal with a huge amount of change – from a new structure, differing relationships with our business units and a host of new processes and procedures. Effective communication and engagement at every level has helped maintain motivation and morale and ensured we deliver against our performance contracts." Alex Fergus, HR director Supply Chain, BP.

• **The communication professional's view:** "Given the turbulence in the telecoms market in the UK, for a time it felt as if virtually everything we communicated was high concern. In less than a year, we communicated redundancies, changes to terms and conditions, site closures and the entry into Chapter 11 bankruptcy – amid constant media speculation about our future. It meant long hours and hard work, but what got us through was the desire to treat everyone with respect and a strong belief that things would turn themselves around. The keys to success were careful and thorough planning, a close team working with HR and PR, and a senior management team which genuinely understood the importance of communication and gave 100 percent to getting it right." Sue Dewhurst, director of communications, ntl.

• **The operational perspective:** "In my previous role as head of client services, we made some significant and complicated changes to our structure. What we needed from communication was for it to help minimise a potential drop in morale and the risk of consequent operational disruption. Putting together a cross-functional team to manage the communication of the restructure played a great part in achieving that goal. The messages were clear and consistent and people's emotional reactions were anticipated as best they could be, at every stage in the process." Jane Blatchford, head of relationship management, INVESCO UK & Ireland.

The speed of modern communication means that as soon as an announcement is made in one location, everyone will know. Make sure you inform the rest of the business as rapidly as possible, to help maintain credibility.

If managers are delivering difficult messages, train them on how to deliver the messages rather than just briefing them on what to say. The training needs to reflect the agreed set of principles for communicating to employees – which means that HR and communication teams may need similar coaching if they are involved in training managers.

The emotional aspect of change

Those involved in communicating about



↓ CASE STUDY: INVESCO

INVESCO UK & Ireland, part of the global fund management company AMVESCAP, made significant changes to its business throughout 2003.

As well as introducing a new global fund administration system (the largest program of its kind in the UK fund management industry), it also restructured its entire UK business. One particularly complex restructure exercise involved delayering of management tiers, changes in team structures, changes in reporting lines, redundancies, relocation and redeployment.

The biggest challenge for the HR and communication team, as well as senior managers, was that a large number of people in the business were affected by all of the changes. The operational risk of making such radical change was significant, and there was a fear that people would not be able to handle so many changes and that morale and productivity would suffer as a result. Many individuals were asked to change roles, reapply for their jobs, use different systems, processes and procedures and change reporting lines, all in swift succession.

To ensure that change happened successfully and that operational risk was minimised, the people-related aspects of these changes were managed by using the principles and techniques of high concern communication. Feedback from managers and staff during and after the changes were made, was that although they didn't necessarily like all of the changes, they felt that they were kept informed and treated fairly and empathetically throughout. As a result, the operational impact of the changes was minimal and INVESCO PERPETUAL remains highly successful as the number two retail brand in the UK fund management industry.

change, it's a good idea to put in place effective feedback loops to enable communicators and managers to keep track of how people are reacting and where they are on the change curve.

Develop some core competencies

High concern scenarios are particularly challenging because they not only create concern among employees on the receiving end of changes, but also among project teams, managers and HR and communication professionals responsible for making change happen effectively.

The key to success is creating plans that anticipate typical reactions, such as demands for more information and support. Although the nature of organizational change will differ on almost every occasion, developing a core set of change communication competencies will place practitioners in a powerful position to give valuable support to executives, managers and employees when the next wave of change comes around.

scm

Other articles to read on organizational change:

The six phases of major change and Using toolkits to empower managers (SCM 7.4 June/July 2003)

Communicating to avert industrial action at BAE SYSTEMS (SCM 8.1 December/January 2004)

◁ organizational change should have an understanding of the possible emotional reactions of those affected. Although people will often react differently, there are a number of core issues that can be addressed when coaching managers and leaders to support change initiatives:

- Allow people space to deal with change in their own way. Build into HR and communication plans ways in which people can be helped to come to terms with new plans, for example, HR clinics or extra individual or team meetings.
- Prepare managers for how they might feel delivering the messages, and the personal challenges this can create.
- When it comes to difficult messages, there is a tendency to become overly rational and logical. Make sure that the right emotional dimensions are built in to communication. For example, make sure the structure, content and tone of materials acknowledge the emotional as well as intellectual needs of your audience.

In order to monitor how people are dealing with

CONTACT

Helen Coley-Smith

HCS Consulting

e-mail: helen@hcs-consulting.co.uk

CONTACT

Jacqui Hitt

JMH Consultancy

e-mail: jacqui@jmh-consultancy.com