

PRWEEK

MARKET FOCUS **Internal Communications:** Outside perspective

Written by John N. Frank

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Bringing in external help for internal comms can provide a fresh point of view

Advanstar Life Sciences has absorbed a series of acquisitions in recent years that brought its staff to 300 employees.

"Every one of these groups had its own culture; every one was a fiefdom," recalls Annie Callanan, EVP of the Montvale, NJ-based division of publishing company Advanstar Communications. "They didn't really know one another. There was zero sense of community and purpose."

Callanan knew she had to change that to function effectively and productively. Late last year, she hired Kallman Communications of Haverstraw, NY to perform an internal communications assessment and create and run an internal communications program.

"I really wasn't sure how it [would] work," Callanan confesses. But using an outsider to handle internal communications has worked very well, she says.

Linda Kallman, founder of the firm, performed the assessment, set up a March meeting for the division's 300 employees, and created an employee intranet site and e-newsletter. She now meets regularly with employees to discuss their views and needs.

"I did have to get to know people, and they had to have some time to trust me," Kallman recalls. "Everybody I've asked for help has given it. There's been more [cooperation] than I thought there would be."

While she spent three-quarters of her time on the assignment in its early days, she's now devoting about two days a week to running the division's internal communications.

"This program has had a major impact on morale and retention," Callanan says. She adds that she couldn't have afforded to hire a full-time internal person with the experience level Kallman brought to the project. Using an agency, she says, "was a very effective way of doing a lot with less."

Callanan is not alone. Other companies are looking outside for their internal communications needs, as well. They're finding that an agency can handle internal communications if it gets support from inside the company and does its homework about clients and about what staffers think of them.

Often, those who use outside firms are divisions of larger companies - such as Advanstar Life Sciences - that have internal communications needs distinct from those of their corporate parents. For example, Verizon Airfone, an Oak Brook, IL-based division of phone giant Verizon, uses an agency for its internal communications activities.

Other times, cost is the driving issue as companies try to stretch tight communications budgets. AirTran prides itself on being a low-cost airline and backs up that positioning with a lean staff. It uses CKPR, Chicago, to handle its internal communications needs.

Agencies also can be brought in to handle special projects that would tax the regular staff, explains Karlenne Trimble, co-deputy managing director with MS&L's Atlanta office. MS&L had two staffers on-site for five months when Cingular took over AT&T's wireless business, for example. Their task was to handle employee communications about the merger.

Allison & Partners is in the midst of an internal communications audit for Best Western International, which is searching for a new head of internal communications. The audit will create a blueprint the new company staffer can use to improve internal communications, explains Scott Allison, president of the San Francisco-based firm.

Becoming part of the team

Whatever the catalyst, once an agency is hired to handle internal communications, there are many things that must be done to ensure the arrangement functions properly (see sidebar). Chief among those, says Gary Grates, VP of communications at General Motors North America, are visibility within the company and access to key decision makers. From January 2001 through September 2002, Grates ran GM's internal communications while he was working with GCI Group. Grates dealt with issues like improving communications between GM's leadership and its employees. The arrangement worked so well that "at some point, nobody cared where I was from," he recalls.

The same is true at AirTran. "A lot of our employees probably think [the CKPR account handlers] are on staff," says Judy Graham-Weaver, PR manager for the Orlando-based airline. "They know our business very well."

As part of that, "We have to be able to understand the culture and speak the language," says Joel Curran, SVP and managing director with CKPR's Chicago office. The agency has worked on the account for eight years, handling both internal and external communications with a 10-person team. "You have to be able to give them good outside counsel and a fresh perspective with fresh ideas," says Curran.

Jim Pilcher, director of marketing at Verizon Airfone, agrees that having an outside perspective is one of the most valuable aspects of using an agency for internal communications. Verizon Airfone puts telephones in airplanes and is hoping to expand that service to include in-flight internet access. Pilcher works with Communications Works on his internal communications.

The Schaumburg, IL-based agency, which has been working with Verizon Airfone since January 2003, has created an employee intranet site and employee incentive awards, and has written executive communications to staff, says Julie Baron, president. She's also helped raise the profile of the division within Verizon by having press releases and other information about it put on the parent company's intranet site.

When Baron started working for Verizon Airfone, she had her own cubicle at its suburban Chicago headquarters and a company e-mail account. She began by spending two days a week at the company, working 40 to 75 hours a month on the account. She now averages about 50 hours a month.

Baron thinks a key to doing a good job as an outsider is developing the trust of company employees. For her, that means living up to the promises she makes, being responsive to employee needs, providing fast turnaround, and being honest about employee concerns and company needs.

Raising employee morale

Some internal communications assignments can turn into internal marketing efforts, as well. Impact Communications has been working for the University of Illinois Medical Center in Chicago for two-and-a-half years. Budget cutbacks by the state had decimated the center's marketing department, says Amy Cannady, program coordinator, marketing, for the center.

She turned to Impact for external and internal help.

Impact found that "the biggest gap is [the center has] not been able to convert employees into customers," says Michelle Rathman, the agency's president. Impact created an internal campaign to recognize the center's nurses using the tagline "It's not what I do; it's who I am." Four staff nurses were selected to be featured in banners hung around the center.

An open casting call brought between 60 and 70 nurses to the center's lobby for a group photograph, which was featured in an advertisement done in conjunction with National Nurse Week, May 6 to 12.

"They felt so recognized as people," Rathman says. "You need to create programs that create pride and bring a sense of ownership to the employees."

The need to motivate employees has been heightened by the corporate scandals of recent years, adds Barbara Edler, US director, enterprise change communication, and an SVP with Hill & Knowlton. She's also seen increasing demand for internal communications help from professional services firms, such as law, management consulting, and accounting operations. "We have to educate them that internal communications is a lot more than newsletters," she says.

And for some companies, internal communications might involve a lot more than having a single staffer turn out those employee newsletters. Companies like Verizon Airfone, AirTran, and others have found that hiring agencies to handle their internal communications projects can be an effective way to deal with an important communications discipline.

Insider's guide

On the surface, the idea of bringing in an outside agency to handle internal communications seems like a contradiction in terms. If there's anything that should be handled internally, you'd expect it to be internal communications. But those who have done it disagree with such thinking. An outside agency can handle internal communications if it follows some key guidelines:

Learn to fit in ...

Says Joel Curran, SVP and managing director with CKPR in Chicago, "You have to fit so seamlessly into their culture." That means quickly learning about the client, its business, and its organizational structure.

... and to stand out

The outside counsel must to be "completely and utterly visible" within a company, says Gary Grates, VP of General Motors North America's communications. That means going to key meetings, talking to top executives, and becoming an important adviser on communications issues.

Gain complete access

The outside communicator also needs complete access to the company and its senior executives, just as an internal staffer would, Grates says. Judy Graham-Weaver, PR manager for AirTran, agrees, saying, "You have to treat the people from the agency the same way you would if they were on staff."

Establish trust

Agency people must encourage management to give them access to company information, even confidential information, says Julie Baron, president of Communications Works. The trust issue ties back to the need to be seen and known at a company. "I don't just come in, do work, and leave," she says of her time with Verizon Airfone. She makes it a point to mingle with and get to know Verizon employees.

Find a point person

A final requirement is that there be someone inside the company charged with making sure the outside firm is kept up to speed on key company issues, culture, even company politics.