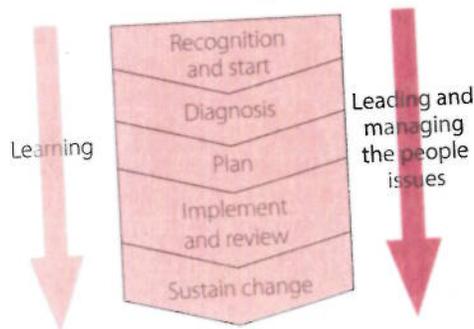# Communicating change

Communication plays an important role in all the 'people issues' discussed in Part IV of this book, such as leading, managing stakeholders, motivating and supporting others. For example, leaders need to be effective communicators because, among other things, they have to convey a compelling vision of a better future, inspire and motivate others to implement the changes, align their efforts by communicating a shared understanding of what needs to be done, and provide the feedback required to sustain the change.

This chapter explores the value of a clear communication strategy and examines some of the issues that need to be considered when formulating a coherent approach to communicating change. It also examines some of the features of communication networks, such as directionality, role, content and channels, explores some of the factors that can deprive managers of access to vital information, and considers how change communication can affect perceptions of fairness and justice.

Case study 11.1 illustrates how inattention to communication issues can disrupt the best-laid plans for change.

Case study 11.1 Connect2

Connect2 (as it will be referred to here) was an advertising agency located in Sydney, Australia. It was founded by a talented and ambitious graduate who successfully expanded the business from an original client base of 1 to 45 over a 10-year period. The business focused on investor relations and developed a strong reputation for designing and producing annual and interim reports. The production process, from receipt of the client's brief to delivery of the printed report, was clear, simple and worked effectively. Project managers were good at developing and maintaining close relations with clients and always ensured that clients' expectations were met and, where possible, exceeded. The business employed 27 staff who worked well together as a tightly knit group. While the owner ran a

tight ship and had his finger on the pulse of every project, he was approachable and did not micromanage. He led from behind and did everything he could to empower his staff to act in the best interests of Connect2 and its clients. Employees enjoyed their work and, when required, were happy to put in extra hours to meet tight deadlines.

In 2011, the owner was persuaded to sell the company to two experienced businessmen. The people who worked for Connect2 expected the new owners to make changes. Most were prepared for this but some were concerned that they could lose out and even lose their jobs. Much of this early anxiety was allayed when the new owners told them there would be no redundancies and they were intending to

expand the business. For a few weeks, nothing seemed to change and the new owners said little about their plans. After a while, this lack of information became a new source of concern.

Behind the scenes, however, the new owners were busy. Their vision was to grow the business into a media powerhouse. They were in the process of acquiring two other companies, one a successful public relations (PR) agency and the other a video production company, and their intention was to merge all three into a single organization offering a wide range of advertising, marketing and PR services. Their first step was to expand Connect2 to provide the core management infrastructure for the new company. They hired eight new business development managers to work on expanding the client base and appointed two new managers to functional roles, one to head finance and the other to head HR. They also had plans to appoint a creative director.

Before the negotiations to acquire the PR and video production companies were finalized, the new owners of Connect2 employed the services of a consultant to help them interview candidates for the new business development and functional management roles and they invited her to facilitate an intensive one-week induction for the newly appointed staff. It was only at this point that the two most senior Connect2 project managers were briefed on the new developments and brought in to familiarize the newcomers with the company's current processes. Soon after their induction, the business development managers, who were highly incentivized, began to visit potential clients to seek new business. It was at this point that things began to go wrong. The changes had not been properly communicated to Connect2 staff and they had not been given any opportunity to comment on them. Consequently, the owners were taken by surprise when they discovered that existing staff did not have the skills or experience they required to deliver the new services that were to be provided to new clients. They were also unaware that the company's existing business processes were unable to accommodate the new volumes of work that were anticipated.

Another problem was that the new owners had done little to facilitate communication between new and existing staff and this resulted in misunderstandings about roles and responsibilities. The business development managers expected the project managers to assume responsibility for processing all the new work they brought in without checking that the project managers had the time or other resources to cope with this additional work. They also failed to recognize that part of the project managers' role had historically involved managing relationships with the company's existing clients. This generated conflicts and bad feelings when the business development managers visited existing clients to sell new services without informing the respective project managers. There was also little communication with existing clients or suppliers about the changes. Existing clients were confused about who was managing their accounts and felt less confident about giving their business to Connect2. Nobody had taken the time to reassure suppliers that Connect2 wanted to retain their services or to explore opportunities of securing better terms if Connect2 increased their business with them.

Within the company, the staff who had been with Connect2 before it had been sold were unhappy because the old closely knit culture, clear sense of direction and tried-and-tested processes had given way to confusion about the company's goals, a lack of clarity regarding roles, responsibilities and reporting

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relationships, and frustration that their efforts were undermined by business processes that were no longer fit for purpose. Even when they were motivated to do what they could to satisfy clients, there was little support for initiative taking. Morale plummeted and commitment evaporated. It was not long before the two senior project managers resigned and took some of Connect2's long-standing clients with them. Key staff in the editorial and other departments also resigned, further undermining the effectiveness of some key processes, and the new business development managers were unhappy because they had to spend more time on site managing some of

their own projects in order to deliver promised outcomes to clients.

At this point, the purchase of the PR company was finalized but morale was so low within Connect2 that attempts to merge the two companies failed and they had to be managed as two separate businesses. Plans to purchase the video production company were put on hold. A year later, the PR company was sold and recently Connect2 ceased trading.

Before reading on, list some of the communication problems in this case and think about how they could have been managed more effectively.

Source: This case is based on contributions from Jolene Roelofse.

The need for a communication strategy

In the Connect2 case, the new owners appeared to focus most of their attention on communicating with each other and the new staff they had recruited, and gave very little attention to communicating with existing staff or clients. This is the result of a common problem: the failure to develop a coherent change communication strategy. In many cases, leaders act on impulse and interact with those who seem important at the time, without thinking through how the way they communicate could affect the outcome of the change.

The first step in developing a change communication strategy is for those leading the change to study the situation, identify the key issues, and formulate a set of communication goals that will address them. The issues that will be identified as important will vary from situation to situation but, in the Connect2 case, one was the need to assess whether the company could support the envisioned new business streams. Addressing this issue would involve gathering and interpreting information about the capabilities and experience of existing staff and investigating whether the organization's operational infrastructure is able to cope. Another issue was to understand how the planned changes might affect the morale and commitment of those occupying key roles. It appears that the new owners were not good at seeking out information or listening to others. Understanding these issues would point to related communication goals such as formulating and conveying a vision that key stakeholders will perceive to be attractive and achievable.

With communication goals such as these in mind, leaders can begin to think about how best to communicate the change. Without clear communication goals, it is difficult for leaders to identify the information they and others need, and how this information is to be acquired and exchanged. Clear goals also help leaders identify key stakeholders, what information they have and how they can be encouraged to share this with others, particularly those leading the change, and what information stakeholders need and how best this can be conveyed to them.

Clampitt et al. (2000) observe that implicit communications strategies often emerge without much conscious thought. For example, those leading change can:

- Communicate about anything but, because of time constraints and perceptions about the sensitivity of certain pieces of information, they cannot communicate