



Inside Internal Communication: Groundbreaking Innovations for a New Future

Five best practices to transform the industry

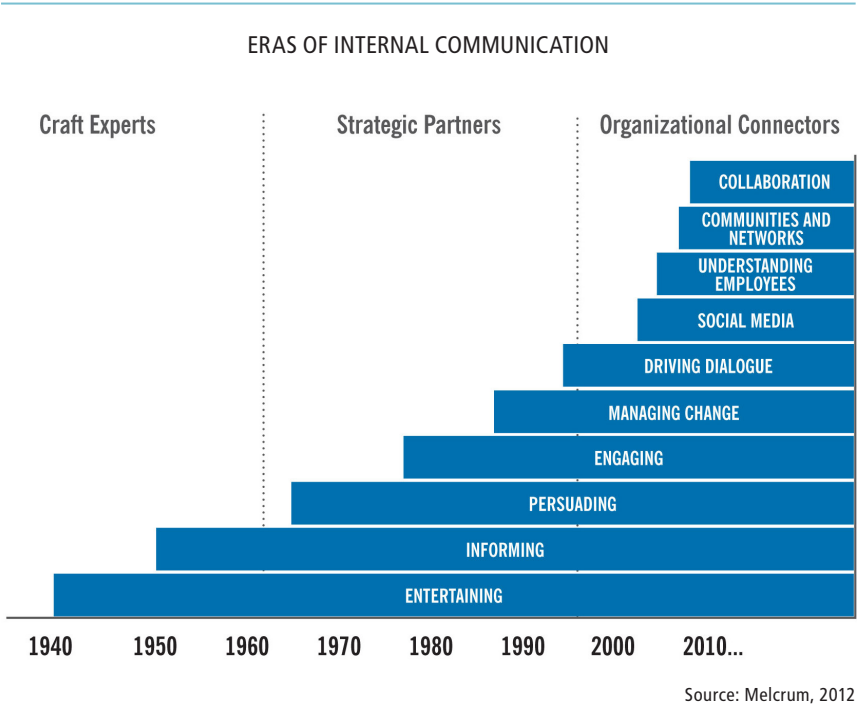
Executive summary

The future is innovation

With every new era comes a new mantle. The past year has highlighted ours. And it’s one that’s evolving to bring internal communication professionals both greater influence—and higher expectations—than ever before.

Once craft experts, the go-to gurus for all things entertainment and information, today’s practitioners must be all this and more. Fresh environmental dynamics, complex functional demands and employees who are more mobile, informed, vocal—and more influential than ever before—mean we’re increasingly organizational connectors who also support strategy and create content.

It’s a gear change that calls for new skills and a shift in the way we see ourselves and what we do. The future of internal communication, in what is now an ever-evolving and connected world, depends on it.



Outlining highlights from Melcrum’s comprehensive body of research, *Inside Internal Communication: Groundbreaking Innovations for a New Future* is an Executive Summary designed to help you to understand the specific factors shaping the internal communications profession today, spotlight the world’s Top Five Best Practices and understand how to apply these to make a real difference in your organization.

Through Melcrum's latest research, ***Communication for Collaboration, From Engagement to Empowerment*** and our innovative ***Internal Communication Competency Model***, you'll learn what it takes to navigate this new territory, including:

- ▶ How to empower employees for break-out business results.
- ▶ Ways to drive collaboration for a better return on social media investments.
- ▶ Which internal communication competencies are in demand—and how to develop them across your team.

Bring out the best in your people—and the future of your business

Interested in break-through business results? Hungry to know what's next, and for the chance to connect with others who have experience and skills you can learn from?

As a member of Melcrum's Forum, you join an ongoing, world-class conversation. Collaborating closely with us gives you unlimited, year-long access to our knowledge of industry trends, latest thinking, tools and techniques that will help you align your internal communication strategy with your business needs.

We offer far more than critical insight. We help you take action: Highlighting how to shift your culture and engagement to influence the employees' beliefs and behavior that shape your future, as well as identifying ways to sharpen messages so they are meaningful, compelling and generate change.

We help people create communication that makes a difference.

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Empowered employees and innovative practices: a company’s most valuable assets

Organizations succeeding in today’s changing domain share two vital strategies in common: they’re not merely engaging employees, they’re actively empowering them. And they’re connecting those empowered employees with each other in authentic, dynamic and creative ways, so they can work together to bring about exceptional business results. These include increasing customer satisfaction by over 40 percent; improving profitability by nearly 30 percent; boosting overall performance by 36 percent and many other powerful measures.

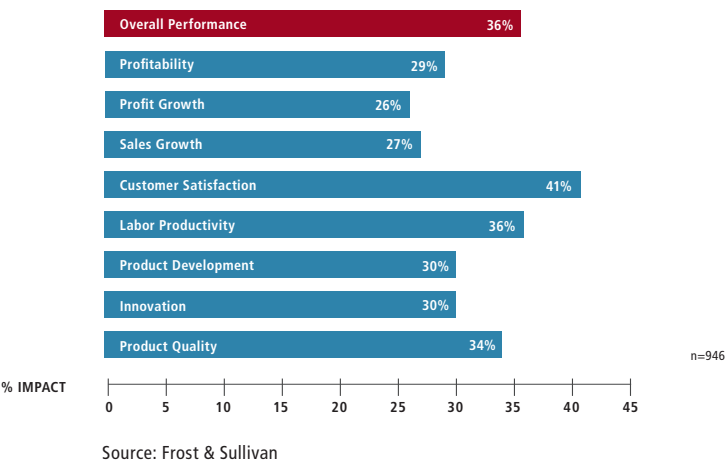
The bottom line

Melcrum’s insights show the biggest impact on competitive advantage comes not from products, processes or technology, but empowered employees. Effective empowerment depends, above all, on the ability to sustain successful collaboration. Both are business imperatives for companies seeking to stand out—and their implications for internal communication are far-reaching. But while few can say they are there yet, pioneering organizations from around the globe including IBM, Avery Dennison, Telstra, Pepsico and BUPA, are leading the way with innovative plays.

“We must convince leaders that enabling employees to become credible ambassadors will give our companies a competitive advantage”

—Leanne Carmody, senior internal communication professional

HOW COLLABORATION IMPACTS BUSINESS PERFORMANCE



As the internal communication function reshapes itself, these businesses and brands are adopting innovative solutions to old problems, as well as new: shaking up social media platforms, redefining employee engagement, leveraging brand ambassadors and blowing up traditional metrics.

What innovation looks like and who's doing it well

From among these, Melcrum unveils the five 'coolest' innovations of a new future—giving you the insider's view to best practices from global leaders across the profession and the knowledge and inspiration to apply their experience and tools so you can:

- ▶ Use social media to boost productivity, profitability and performance.
- ▶ Take a systematic approach to collaboration and better business outcomes.
- ▶ Align internal and external communication more effectively than ever.

The backdrop in short

Melcrum's extensive analysis suggests four key drivers underpin extraordinary outcomes like these. Our compelling studies identify and explore how the growth in social media and the power of employee voice, together with the evolving role of internal communication and rise in audience and channel complexity, are reshaping the industry. Bringing fresh opportunities and new challenges. See melcrum.com/forum for more information.

Insights from communicators breaking the mold

Based on months of rich conversations with industry practitioners, expert consultants and experienced academics, Melcrum identified these five internal communication innovations as the best of a new future.

1. Agile processes for improved planning

Fragmented audiences and the rapid evolution of technology and channels mean greater complexity for internal communication—and the need for an equally sophisticated approach to strategy and planning.

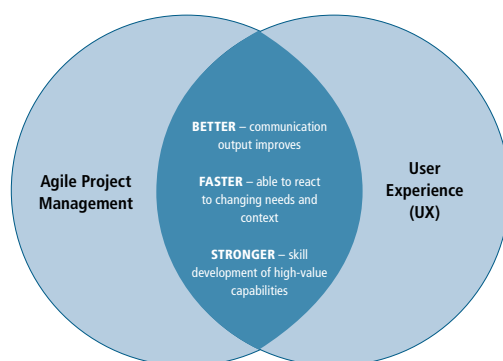
Linear and rigid no longer work. It's now about being cross-functional, flexible and constantly innovative, so solutions can encompass the intricacies required by different internal contexts, while aligning with external communication.

The field of information technology has come close to mastering these principles and best practices. Applying them to their own internal communication approach, the New South Wales' Department of Education & Communities achieved their own success.

The Australian Government agency discovered “daily scrum” team meetings and shorter, more focused cycles of activity allowed the organization to reprioritize and refine its approach more easily, and often. Outcomes became better. ‘Failing’ quickly—and cheaply—were in fact, benefits.

We help people create communication that makes a difference. For more on what it means to be a member of Melcrum, see melcrum.com/forum.

IT DISCIPLINES: CONNECTING COMMUNICATION TO BUSINESS OUTCOMES



Source: From Engagement to Empowerment; Melcrum, 2012

In our research *From Engagement to Empowerment*, we explore how to use such agile and UX disciplines to take your planning process beyond driving toward a single ‘big-bet’ solution and connect it more closely to your business needs across all audiences and functions.

Melcrum's *From Engagement to Empowerment* analysis examines how a non-traditional take on validating its employer brand using an innovative social platform created a case for change for global paper company, Avery Dennison, and a culture that inspires employees to perform.

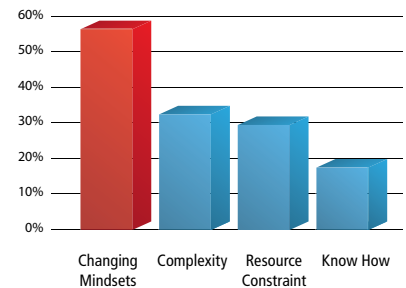
2. Driving dialogue to enhance employee advocacy

Over 70 percent of all organizational change initiatives fail to take hold, because they don't engage. They give orders and timelines but fail to share the story behind the strategy. Yet employees want to understand the big picture, why it's crucial and importantly, they aspire to play a role in helping the organization achieve it.

Understanding this intrinsic motivation—and eager to harness its power to drive business performance—Avery Dennison built one of the world's best practices: an online platform connecting employees with leaders at the highest level of strategic decision-making.

Known as **The Beat**, this innovative social 'panel' invites employees to 'opt-in' and offer input on vital decisions and initiatives. Details on these 'missions' are visible to the entire company via online forms. It's rapid—each decision is finalized within two weeks—scalable and it works. Avery found involving employees improved both their understanding of ideas and the ideas themselves. And when employees were part of the process, they were more likely to stand behind the outcome—increasing external advocacy.

OBSTACLES TO EFFECTIVE CHANGE

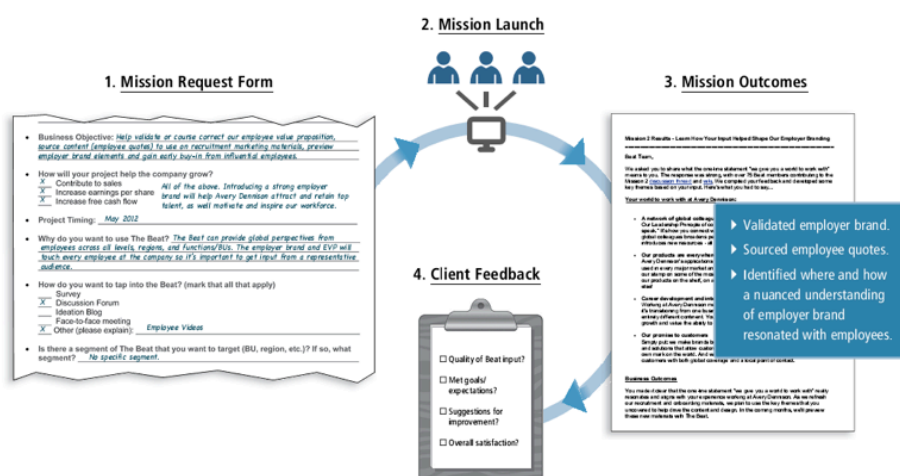


Source: Harvard Business Review, Cracking the Code of Change; IBM, Making Change Work

"Ideas don't care where their parents are from. The best idea could come from the mail room or it could come from the boardroom, it didn't matter; what we needed was an opportunity for employees to say 'I want to bring my best ideas to the table, you can count on me'."

—Heather Rim, vice president,
global corporate communications,
Avery Dennison

'THE BEAT' IN ACTION



Source: From Engagement to Empowerment; Melcrum, 2012

3. Systematic collaboration to unlock better business results

Today, more informed CEOs are making collaboration a priority for their organizations, as it's been proven to boost overall business performance by 36 percent. And it's also quickly become the responsibility of internal communication to help lead the charge.

Yet while it's clear this new approach to driving closer employee connections and the groundbreaking results they can bring has the potential to become a global game-changer, few companies truly understand what drives collaboration—and fewer still have an effective system to harness and manage it.

In our insights into **Communication for Collaboration**, Melcrum profiles the work of two leading academics who have developed exactly this, and examines its implications for internal communicators.

Exploring examples of powerful—and less effective—collaboration within organizations and government agencies, Dr Gail Fann Thomas of California's Naval Postgraduate School and Dr Kimberlie Stephens from the University of Southern California discovered a formula for success. Organizations must consider collaboration as a system of five components: strategy, structure, people, incentives and lateral mechanisms ('connective tissue' such as social capital or shared computer systems).

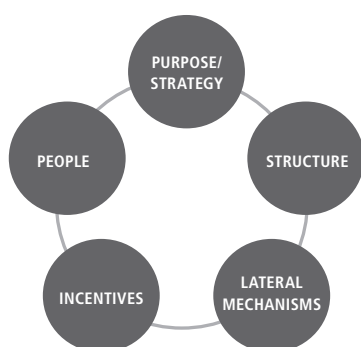
“Communication is at the heart. None of this can happen without strong communication.”

—Dr Gail Thomas, associate professor of management, Naval Postgraduate School, California

“The world is facing complex problems that can't be solved without collaborating. There's a lot of power in the ability of organizations to effectively work together.”

—Dr Kimberlie Stephens, clinical assistant professor, Annenberg School for Communication & Journalism, University of Southern California

DRIVERS OF COLLABORATION



Source: Hocevar, Thomas and Jansen, *Building Collaborative Capacity: An Innovative Strategy for Homeland Security* (2006)

Not only does this clear methodology help internal communicators identify and address the enablers and barriers to success within each component in a systematic way—it also offers a comprehensive framework to bring collaboration alive in a meaningful way.

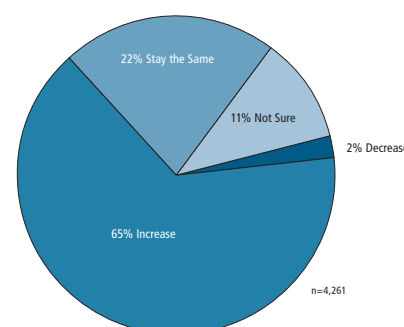
4. Shifting the social media focus for improved ROI

Investment in internal social media platforms has exploded. But many organizations have yet to exploit their full potential. Conversations focus on the technology and its features, rather than workflows and benefits to employees.

IBM's approach is a clear exception. By using task-based training to clearly link the features of its social media to 'pain points' the company's sales team were experiencing, this industry leader broke through entrenched employee attitudes and behaviors to achieve outstanding results. Across its 16,000-strong sales team, IBM reduced the time each person spent on email by two hours every day. The time it takes to deliver a RFP has also dropped by 40 percent.

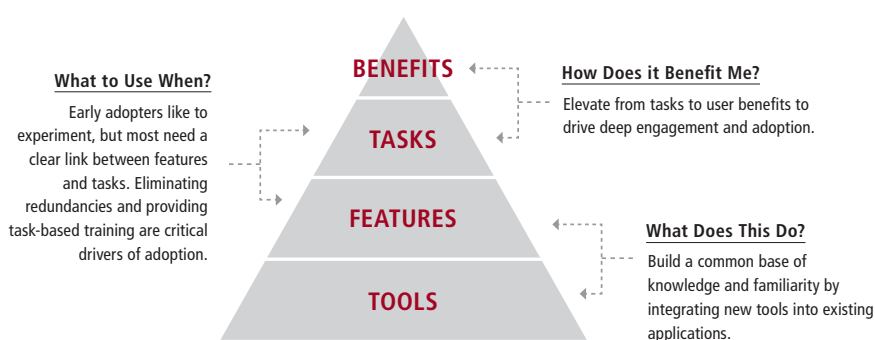
WEB 2.0: PLANS FOR INVESTMENT TO 2014

Web 2.0 technology will be a \$4.6 billion industry by 2013 (Forrester)



Source: From McKinsey on Business Technology #22, Spring 2011

DRIVERS OF TECHNOLOGY ADOPTION



Source: Communication for Collaboration; Melcrum, 2012

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Melcrum's analysis of *Communication for Collaboration* includes this full-length case study and examines how to build and manage collaborative capacity using social media; drive and maintain widespread adoption of social platforms; and address pockets of resistance to new technologies through targeted campaigns and training.

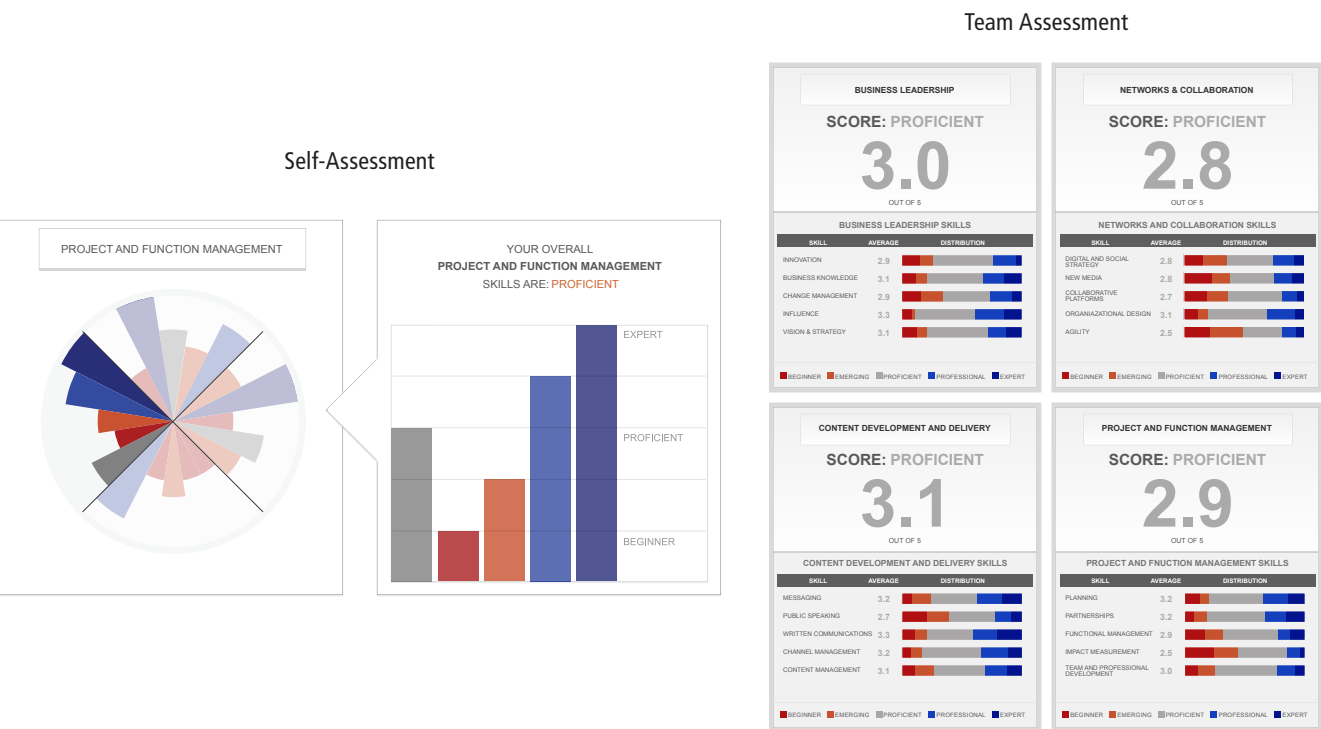
5. Redefined competencies for a new world

Successful internal communication today demands vastly different skills and qualities to those valued 15 (or even five) years ago. From planning events and producing editorial, to providing strategic counsel and driving dialogue, communities and collaboration, the role of the contemporary practitioner is being rapidly redefined. We're now as much organizational connectors as tactical experts, expected to encompass traditional functional responsibilities along with new competencies—and the change curve is getting steeper.

Yet while our mandate is broader, the industry's approach to defining, managing and recruiting for these competencies hasn't kept pace. Research indicates networks and collaboration, together with project and process management, are those internal communication capabilities most in-demand. Equally sought after is a systematic approach to support success.

Using Melcrum's latest Internal Communication Competency Model, we examine the emerging areas of focus for the internal communication function; traditional core responsibilities; and how to gauge your team's strengths and opportunities for improvement to ensure you have the competencies your business needs.

SELF-ASSESSMENT WITH MELCRUM'S INTERNAL COMMUNICATION COMPETENCY MODEL



Melcrum—the world’s leading source for internal communication strategy

When you unleash the full potential of people, extraordinary things happen.

Your business grows. Your customers thrive. And your people find more meaning and purpose in their work.

In a global market as competitive as ours, a company’s most valuable asset isn’t products, processes or technology—it is empowered employees. Ensuring they feel connected and committed to achieving break-through business results, is what creates competitive advantage.

As members of Melcrum’s Forum, visionary internal communicators can achieve it.

Connect communication to business success

Collaborating closely with us gives you unlimited, year-long access to our deep knowledge of industry trends, and the latest thinking, tools and techniques that will help you align your internal communication strategy with your business one.

We offer far more than critical insight. We help you take action. Highlighting how to shift your culture and engagement to influence the employee beliefs and behavior that shape your future. Identifying ways to sharpen messages so these are meaningful, compelling and generate change.

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Case studies

- ▶ IBM
- ▶ New South Wales’ Department of Education & Communities
- ▶ Avery Dennison
- ▶ Naval Postgraduate School
- ▶ Annenberg School for Communication & Journalism
- ▶ Telstra
- ▶ Pepsico
- ▶ BUPA, and many more.

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