THRIVING AND COPING IN A SOCIAL AND DIGITAL AGE

A Report on Lessons Learned From Corporate Communications
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Introduction

In some ways, the role of corporate communications hasn’t changed much since it first began appearing on corporate organizational charts approximately 50 years ago. In a broad, functional sense, corporate communications continues to support business objectives by cultivating and dispensing information to key audiences, including shareholders, employees, media, analysts, legislators, regulators and others in order to accurately project the organization. To serve these myriad audiences, corporate communications traditionally have been responsible for both internal and external communications.

There are, however, several marketplace realities that have expanded the scope of the corporate communications function, including mergers and acquisitions, downsizing, global competition, shifting business models and the rising sophistication of consumers. There is an increasing recognition of the integrated role of communications in business objectives and the necessity of the function to be viewed as a partner rather than a vendor. The use of technology has radically altered the traditional top-down method of communicating. As companies strive to implement the programs and strategies they have developed, this new approach toward communication increases in importance.

First, technology has enabled companies to share information with their audiences and receive feedback more frequently than ever before. This means key audiences have more relevant and accurate information with which to make decisions and pose questions. And as key audiences become “smarter,” they often demand even more information from the organization (and hence the communications department). Technology has given everyone a voice, and corporate communications functions are scrambling to find a way to ensure their messages aren’t lost in the noise. Second, technology allows for greater collaboration on communication initiatives. For instance, 40 years ago a company’s employee newsletter may have been written by one individual in one location, in one function, whereas today the newsletter might be written by 10 or more contributors, from different departments across the country or around the world. Successful companies are quickly learning the importance of breaking down silos between functions, encouraging a free-flow of knowledge, expertise and data.

Third, technology has helped to elevate the communicator’s role from that of a tradesman to that of a strategist by providing communicators with valuable information about the pulse of the organization, and the ability to respond appropriately. Too often, companies are communicating to a workforce that doesn’t exist. As employees get lost in a world more connected and noisy than ever, technology has enabled communicators to become the nerve centers of their organizations by better communicating with employees.

The evolving role of communicators has encouraged many companies to re-evaluate the structure of their corporate communications function (i.e., who is driving the function, where the function is located within an organization, etc.). More Corporate Communications heads are reporting directly to the “C” suite. In
situations where this is the case, individuals express more satisfaction with the relationship and a greater likelihood that communications will play a role in strategic planning.

But when communicators are hesitant to assume the role of strategist, or do not demonstrate an ability to help shape organizational policy, CEOs will find other executives to lead the communications function such as attorneys, marketers and finance executives.

As the scope of the corporate communications function continues to evolve and expand, it becomes increasingly important for organizations to examine their organizational structure to ensure it is embracing digital trends and implementing technological solutions to meet evolving business objectives.

Thriving and Coping in a Social and Digital Age

To better understand how prominent global corporations are evolving their communications function in a social and digital age, The W2O Group Center for Social Commerce at Syracuse University interviewed communication executives at five leading corporations. In an effort to ensure the confidentiality of the companies, we’ve blinded the names and will refer to them as the below.

- Global food and beverage corporation
- Global home improvement and building supply retailer
- Wireless telecommunications company
- Global airline
- Global footwear and apparel corporation

In particular, we wanted to understand:

- The current structure of corporate communications in their respective business;
- How the function has shifted over the past three years;
- The role social and digital technologies have played in the shift of the corporate communications function;
- The role social and digital technologies have played in how information, research and knowledge is shared within the company
- How companies perceive the impact of social and digital technologies on company culture moving forward

Company summaries include a brief introduction of the company structure and a list of advantages and disadvantages of the structure, according to the company representative we spoke with. Therefore, not surprisingly, there is some discrepancy and contradiction among the lists of advantages and disadvantages, as what works for one individual does not necessarily work for another. about relationships with their colleagues, both of which can be politically sensitive topics. The case studies included in this report contain all of the relevant information we received.

1 Source: A Model of Corporate Communication in Social Media 2012; Olga Kazaka. Faculty of Social Sciences University of Latvia
2 “Fourth Annual Public Relations Generally Accepted Practices (G.A.P.) Study” – University of Southern California Strategic Public Relations Center, 2006
Major Take-Aways

Six overarching themes or Take-aways became apparent during our research. These were determined to be crucial aspects for thriving and coping in a new age:

**THEME: MOVING FROM A COVERAGE TO AN INFLUENCE MODEL**

“It’s no longer about getting media coverage alone. Today it’s all about influence. Who is influencing the conversations about our company, brands, people, etc.? Where is the influence coming from? When? Why? Operating in an influence model means a new structure, system, measures, and deliverables from the communications function.”

**THEME: ANALYTICS AND DATA FUEL NEW INSIGHTS**

“The existence of digital and social analytics has changed how we as an organization approach strategy. We have the tools and resources available to capture the information needed to successfully engage relevant audiences.”

Social analytics has opened a new door for companies to understand its internal and external networks more than ever before. Companies not utilizing available technologies risk becoming obsolete.

**THEME: ORGANIZATIONAL CHARTS REPLACED BY A NETWORKED SYSTEM**

“The org chart is no more. We have to integrate and collaborate cross-functionally to achieve success.”

Organizations have taken notice of the disconnect between lower level employees and the C-Suite. This has led to organizations breaking down silos and doing away with the generic organizational chart. Corporate communications has begun to shift from a vertical reporting structure, to a flat, transparent structure encouraging open dialogue and a free flow of communication.

**THEME: AUDIENCES ARE DEAD. IT’S ABOUT COMMUNITIES.**

“The concept that key stakeholders are audiences is no more. Audiences are static. Audiences demand one-way stimulation. Today, stakeholders are communities. Interested, engaged, networked, motivated, with shared concerns. Communications must be calibrated to address these dynamic entities.”

**THEME: SOCIAL MUST ALWAYS COMPLEMENT— NOT SUBSTITUTE— FACE-TO-FACE COMMUNICATIONS**

Social has given everyone a voice and Digital have given everyone a home. From employees to advocates, consumers to opposition groups, social has allowed everyone the ability to voice and share their opinion, perspective. However, the use of social without effective relationship building efforts such as face-to-face will actually hinder engagement.
THEME: Storytelling is Still Crucial but the Methods are Different
From style to substance, the concept of storytelling is being redefined in our company with particular attention on visual."
60 percent of people today identify as visual learners. Tactics like infographics are more popular than ever and social media has forced companies to reevaluate how they tell their corporate story. Social and digital technologies have forced companies to create content that’s easy to digest, understand and engage with quickly, or they risk becoming obsolete.

THEME: BUSINESS IS AT AN INFLECTION POINT GLOBALLY – MARKETERS ARE LOOKING FOR THEIR NEXT GENERATION OF CUSTOMERS; COMMUNICATORS ARE DETERMINING REPUTATIONAL VALUE AMID SHIFTING EXPECTATIONS
Demographic changes coupled with social and digital technologies have forced companies to have to innovate faster, communicate differently, collaborate better and engage more effectively.

What it means for Corporate Communications:
The Corporate Communications leaders we spoke with offered three specific actions to take in order to adequately address this new landscape.

1) TRAIN UP.
Prepare your staff to confidently operate in an Influence model environment sans news releases and one-way communication. Find influence and inform its core. Create and curate content for an on-going conversation system internally and externally. Comprehend behavioral patterns and run alongside.

2) FAIL FAST. LEARN FASTER.
Failure today isn’t the burden, failing to admit defeat and try something new is. In an era of 24/7 news coverage, where bloggers are as influential as journalists, and consumers are demanding more than ever, companies who can’t move past bad ideas and innovate faster will only get left behind. And while you recognize failure just as quickly absorb knowledge and insight from the experience and share it long and wide.

3) UPGRADE THE PLUMBING.
Having new skills coupled with new data and insights is only valuable if the system it operates in is flexible, networked, dynamic, and responsive.
A Deeper View

The following are composite case studies of the companies and Corporate Communications Officers interviewed for this report:

Wireless Telecommunications Company*

After undertaking extensive research into the benefits of internal and external social platforms, the company acknowledged a need to update its corporate communications function through a social lens.

Executives recently commissioned a company-wide initiative to streamline the organization by eliminating redundancies. Furthermore, the company utilizes internal proprietary tools, such as an employee crowdsourcing program*, as well as public tools to identify opportunities to integrate across departments.

The company’s efforts to optimize its communications functions have resulted in marginal success. Executives still acknowledge that the company remains siloed and encumbered by a longstanding vertical hierarchical structure. As an example, separate branches of the company often develop simultaneous campaigns that compete for ad space, forcing the company to choose the one with the largest footprint and cannibalize the rest.

Advantages

• The use of internal tools to measure performance has promoted increased collaboration and integration across the company, resulting in overall business success.

Disadvantages

• Many functions across the company remain siloed, resulting in costly redundancies. While executives understand the need to fully integrate, the company has not yet achieved optimization.
• The company admits a “dependency” on its public relations agency to the point where employees are reporting directly to agency executives. This complicates the line of communication between the company’s top management and lower level employees.

Global Food and Beverage Corporation*

The company’s communications approach is defined by its diverse product portfolio. Global corporate communications establishes the company’s narrative and umbrella strategy while individual brand teams handle the different product’s PR efforts. The corporate communications function is made up of separate departments, including digital, strategy and development, and media relations.
The rapid growth of social and digital media throughout the past decade has significantly influenced the company’s communications strategy. Executives recognize the need to grow and adapt to the changing landscape—a world where information can reach select audiences in real-time. The company’s corporate communications team understands the far-reaching implications—both positive and negative—of social and digital media.

Advantages
• The company’s media relations and digital teams previously worked separately, but under the current structure, these teams collaborate to create opportunities and mitigate risks. This has enabled the company’s digital department to take on increased responsibility in recent years.

Disadvantages
• An emphasis on product-focused communications at times can hinder conveying an overarching, global corporate message.

Global Home Improvement and Building Supply Retailer*
In 2007, the corporate communications function spearheaded a large expansion into social media. After quickly seeing success with social and digital strategies, the company underwent a company-wide transformation integrating social and digital technologies into the business.

In 2008, corporate communications launched a new business-wide communications platform*. This platform has more than 100,000 users and connects the organization to store associates and front-line employees. This is now used as a primary internal communications tool, promoting higher levels of transparency and communication within the company.

Advantages
• Corporate communications has placed an emphasis on hiring digital natives to revitalize the function, train employees and improve the way the organization navigates social and digital technologies.
• Internal platforms and cross-functional meetings have allowed the company to more consistently address issues facing the business with a united front.

Disadvantages
• Corporate communications perceives significant value in social media. However, it needs to continue to persuade other branches of the business to embrace it.

Global Footwear and Apparel Corporation*
A self-proclaimed industry leader in organizing its corporate communications function, this company’s focus is on global unity and utilizing social and digital technologies to fully integrate and work cross functionally.
Through the inclusion of digital and social analytics, the company has been able to identify key opinion leaders and shape content strategy to successfully engage them online. These new communication technologies have allowed the company to transcend cultures and ignite passion for its products across the globe.

**Advantages**

- Technology has removed certain filters and “gate-keepers.” This has made messaging more personal and quicker to the source.
- Teams, separated by distance and department, can work more closely to ensure that everyone is informed.

**Disadvantages**

- The system is dependent on having the right talent. Without the right team, the matrix organization approach could fail.

**Global Airline***

By employing a “beat system,” executives within this corporation organize employees around subject matter expertise. This organizational structure ensures employees are focusing on work within their expertise and passion areas. It allows executives to track and analyze a broad array of topics, including digital and social media.

The company has also changed the way it distributes content. Previously, it syndicated a quarterly newsletter released to all employees but a shifting social landscape has forced the company to develop a daily digital newspaper with links to social media content and relevant news. From style to delivery, social media has changed the structure of storytelling for the company. All messages are designed to be concise and the company believes the most effective stories are told visually and in 140 characters or fewer.

**Advantages**

- With the current model of subject matter, each employee is an expert in his or her field and can provide more in-depth information to stakeholders and other employees.

**Disadvantages**

- In the past, regional representatives would build strong ties and relationships between the brand and key publics within local communities. Today, social media has challenged the company by presenting it with diffuse and disparate audiences and stakeholders.
Getting Real…Summary

The most effective Corporate Communications Functions share a common characteristic – hunger for what’s new and better. It starts with an organizational mindset and vision that encourages ideas and the free flow of information as fundamental to the success of their organizations. Participants in this study identified breaking down silos and allowing consistent and frequent dialogue both from inside and outside the company as the singular crucial factor for effective corporate communications efforts in a digital age.

Another important lesson from this group is that leadership is demanding a more effective and efficient way to build engagement that leads to trust and a strong reputation as their organizations experience a constant shifting of crises and priorities, and customer and employee expectations change frequently.

The unspoken truth is that if Corporate Communications leaders don’t sense and act against this new reality management will for them.

As one participant shared half-jokingly, “And that is not the way I want things to go down!?”

In today’s digital age, most organizations experience a constant shifting of crises and priorities, and communication strategies and structures must be flexible enough to adapt to rapidly changing organizational needs. This means that employees within the corporate communications departments must understand this need for flexibility and openness. It is management’s responsibility to send this message to employees and to stress the importance of flexibility and sharing information above adhering to reporting structures.

ABOUT THE CENTER FOR SOCIAL COMMERCE AT NEWHOUSE SCHOOL, SYRACUSE UNIVERSITY

The W2O Group Center for Social Commerce was formed in 2012 as a partnership between W2O Group and Syracuse University’s S. I. Newhouse School of Public Communication, the world’s leading academic institution for public relations/communications. The Center was made possible by W2O Group and its CEO-founder Jim Weiss, a Syracuse alumnus, and is aimed at ensuring students are immersed and educated in social commerce, social media, technology, analytics and the influence they each play on our society and industry, giving them every opportunity to be prepared as they enter the workforce.

*To ensure the confidentiality of the companies, we’ve blinded the names of participating companies as well as proprietary internal platforms.

Additional Sources:
1 Source:  A Model of Corporate Communication in Social Media 2012; Olga Kazaka. Faculty of Social Sciences University of Latvia
2 “Fourth Annual Public Relations Generally Accepted Practices (G.A.P.) Study” – University of Southern California Strategic Public Relations Center, 2006