

Consistent chunks of information keep employees focused on the endgame during restructuring

AMERSHAM'S PROACTIVE CHANGE STRATEGY

When Aniko Czinege joined Amersham Biosciences a year ago, the company was about to undergo a major restructuring program in an attempt to achieve profitability following a UK£35 million loss reported in 2002. A consistent and proactive communication strategy has kept the change program on track.

Aniko Czinege's arrival at Amersham Biosciences coincided with the beginning of a major review of the business. To turn around a loss within the discovery systems business area, the company needed to make some big changes.

"It's been very interesting to be involved right from the beginning of the process," says Czinege, who was included in all review meetings and grasped a real understanding of the business case behind the change program. The challenge was to translate the complexities of this business case into simple key messages for staff.

"Throughout the first phase of the restructuring, our aim has been always to break communication down into the top two or three things that people really need to know," says Czinege.

The first phase of the change program focused on cost-cutting by closing sites, workforce and product reduction, transferring functions such as manufacturing from the US to the UK, and other cost-saving initiatives.

"Cutting jobs and closing sites is difficult for any organization," says Czinege. "I knew that if it was handled badly it would have a long-term impact on the business. Our objective was to make sure that people really understood why

the changes had to happen, and felt that the process was being handled professionally and people were treated fairly."

Because information about redundancies and site closures was share price sensitive, it had to remain top secret until the actual announcement in February 2003. But communication had a role to play much earlier than this.

"We wanted people to be mentally prepared for change, so from early on we started to communicate the fact that the company was running at a loss and there was an urgent need to achieve profitability," says Czinege. "We made it clear that this was partly driven by external factors, it wasn't just an internal problem."

Restoring morale

The next phase of the program is focused on a bigger culture change. The aim is to revive morale and engage employees in helping the business achieve profitability, through the shared goal of becoming more customer-focused.

"It's important to remember that the restructuring has affected 10-15 percent of employees. There are still 85 percent who want good reasons to stay, and want to hear that efforts to improve the business are on track."

To help employees stay focused on the endgame, the communication strategy from the outset has been to go for first move advantage. "We always want to be out front with the information, rather than just having a knee-jerk reaction to what's going on," says Czinege. "Our guiding principle has been to consistently send out chunks of information so that people understand where we are in the process."

In keeping with this approach,

communication has focused on the quick wins. For example, when the company recently posted its interim results, the share price reacted favorably. To make the most of this, executives visited sites to brief employees and review the company's progress over the last six months. Social gatherings were also arranged, giving the company a much-needed lift.

Increasing leader visibility

Another quick win has been to improve informal and face-to-face communication within Amersham, and move away from pushing information purely through formal channels such as the intranet and newsletters. According to Czinege, leadership visibility plays a key role in achieving this.

Executives and line managers have been encouraged to increase *ad hoc* communication with staff, and the president does site walk-about and has regular informal meetings with the top 350 managers to keep them updated on the company's progress. Communication is supporting management by conducting employee research and focus groups, and working with line managers to address specific issues at the different sites. These steps are helping to improve the overall communication climate within the organization.

The change program has also strengthened Czinege's relationship with the company's senior leaders: "Communication has definitely been recognized as more important within the organization, and the executive team are seeing a tangible return on investment. My key learnings so far are: go for the quick wins; do a few things, but do them well; and always provide context for change, so people can talk about what's happening."

Amersham Biosciences develops systems and solutions for disease research, and drug discovery, development and manufacture. The business generates sales of almost US\$1 billion annually, and employs 4,400 people across 30 countries.



Aniko Czinege is internal communications director for Amersham Biosciences. Before joining Amersham, she worked as a senior consultant for Banner McBride for five years, with clients such as GlaxoSmithKline. Czinege is currently based in the US.