

# Communication During a Recession - Make It Personal!

by Aniko Czinege

In this period of global economic downturn, there is a great deal of uncertainty in the workplace. With many companies heading into survival mode, cost-cutting measures and layoffs have led to a climate of fear and doubt.



Job security has become a primary concern for employees in many industries. As the future becomes less predictable, a company's internal communication strategy is vital to its success in navigating a recession. When company measures impact employees in such a personal and profound way, effective communication needs to be more personalized. Workers tend to distrust the "corporate mouthpiece" --- modes of communication that include newsletters, mass e-mails and videos --- looking instead to their direct supervisors for answers and guidance. A manager's role in setting the tone for the office environment and subsequently morale is paramount.

The communication tactics used by one global biotech company illustrate the critical difference managers can make by shifting to a more personalized approach. This company undertook a major restructuring and downsizing program to achieve profitability following a multimillion-dollar loss.

Initially, there was a complete reorganization including office closures and layoffs. Subsequently, a strategic internal communications plan was launched to engage all remaining employees in a new commercial environment with line managers trained to serve as primary sources of information. The restructuring was successful with profitability achieved two months early. A period of turmoil was avoided, key employees were retained and the company maintained productivity.

### A matter of trust

How did they achieve that? The biotech company realized that during the restructuring, line managers had an opportunity to enhance relationships with their employees by connecting with them on a much more personal level. Traditionally, line managers play a major role in employee engagement. In a downturn, workers rely even more heavily on them for interpretation and support. Having accessible and visible leaders is critical to maintaining trust among employees. By proactively communicating accurate information, they can curtail rumors and instill confidence in the truth.

The biotech company recognized the communication challenges they faced during a tough economic climate with imminent head count reduction. They knew that in

times of uncertainty, workers are particularly susceptible to rumors and gossip, as they often feel confused and insecure. Common modes of communication such as newsletters, mass e-mails, intranet and videos can seem impersonal and impassive, particularly at a time when there is a real possibility that coworkers will lose their jobs.

Rumors and speculation can start from innocent activities. For example, false assumptions can be made about unknown company visitors such as that they are part of a takeover team. Employees may erroneously assume that a closed-door meeting was held because massive head count reductions are in store. A communications environment shaped by rumors has a ripple effect and starts to impact morale. Employees spend more time around the water cooler and in corridors discussing the latest gossip. Rumor control and crisis communication takes priority over strategy. Low employee morale can lead to unforeseen attrition and decreased productivity.

### Inform

The biotech company's first step was to equip supervisors with comprehensive, accurate information so that they could communicate a consistent message directly to their teams as well as individual employees. The leadership team held a workshop for the top 50 business managers on how to communicate the restructuring and downsizing and then followed up with a workshop three months later, which focused on their plans to keep the organization on track and ultimately increase business.

### Tell the truth

Creating a sense of honesty, even when the news was not easy to hear, helped the line managers at the company make their workers feel informed and engaged. They were prepared to have difficult conversations with their employees. While they did not always have answers, managers had a clear sense of the business strategy going forward and were able to reflect movement and progress. They were provided with timelines, briefing materials, presentations, lists of contacts and all other documents necessary to ensure a smooth transition.

### Create appropriate channels

Each mode of communication was assessed for its timeliness, effectiveness and value to employees. Resources were shifted from broadcast communication to personalized communication, a model that has the advantage of being less costly.

Instead of creating new videos, the company planned a series of team meetings. Rather than holding large conferences, executives scheduled interactive workshops. Newsletters gave way to teleconferences and information previously disseminated through town hall meetings was shifted to smaller brown bag lunches.

Following the restructuring announcements, the senior leaders became more visible and approachable, holding informal discussions, visiting sites and conducting cascade briefings. The leadership updated managers every month on changes to create a feeling of momentum. Skip level meetings also provided for an opportunity for employees to ask questions and discuss personal implications. By setting up rapid response channels for urgent communication and providing ongoing access to managers, the biotech company cultivated a positive work environment and maintained the trust of the employees.

---

Aniko Czinege is a leading organizational change and change communications specialist with 20 years experience of working with global corporations such as General Electric, GlaxoSmithKline, TNT, Teva Pharmaceuticals, Shell, Thorn EMI, Toyota and UBS. She is the CEO of Workwise Communication, an international niche consultancy offering every aspect of employee communication from developing communication strategies for change to coaching leaders to training managers to communicate. Before setting up Workwise Communication, Aniko was global internal communications director at GE Healthcare (previously Amersham Biosciences). Prior to GE, Aniko was a founder of the WPP change and internal communication consultancy Banner McBride. As client director, she led projects for GSK, TNT, Toyota, Getronics/Wang, Ericsson, Textron, Wilkinson Sword, Le Meridien, Shell and PriceWaterhouseCoopers. Aniko belongs to The Society of Human Resource Management, Council for Communication Management, International Association of Business Communicators and Business Women in Healthcare. You can [contact](#) Aniko or visit her [website](#).

