

The Surprising Link between Strategy and Employee Communication

Last month on my blog, I posted a list of top ten tragic mistakes and top 10 best practices in current economic conditions. To dive deeper into two of these and share another perspective, I asked Mary Moore, co-author of the indispensable leadership handbook, *Going the Distance: Why Some Companies Dominate and Others Fail* (Prentice Hall, 2003), for her opinion.

Mary is a former executive and an always in-demand management consultant. Her client list reads like a who's who of high tech and health care and unlike many consultants, she can actually say she worked at the executive level of these companies. She's observed great, average, and poor leadership teams in both good times and bad.

Mary and I talked about two items which we both see as linked:

- The best practice of strategic initiative to plan for inevitable upturn, no matter when it occurs
- The mistake of poor communication of short and longer term plans to the workforce

What follows is an excerpt from our lively and lengthy conversation:

TL: Mary, how do you see these two issues as linked?

Moore: Communicating short and longer term plans to the workforce is crucial when current pressures seem to “make” leaders take a short-term-only focus.

A leader may ask, “Well, what else can we do in these circumstances except focus on now?”

However, the worst of times can be the most important in which make sure clients keep a long term focus. Otherwise, they can jeopardize the quality of their decisions that they will be living with for a long time. What is more, employees *need* a balance of caution and optimism, and they need to see a future they can believe in.

It's a problem for leaders, though. Responsible leaders are concerned about making promises when the road ahead is so clouded over.

What they often don't see is that there *are* things they can say about the future.

TL: Such as?

Moore: They can begin to paint a picture of what their company is going to do. They can use language like:

- “We anticipate that when economic conditions get better, we will focus on...”
- “Times are tough now, but I’m very optimistic about our long term future because...”
- “Our priority during this downturn is to position ourselves for the long term in the following way...”

This is the sort of thing employees need...in contrast to the types of statements leaders are more accustomed to making, such as:

- “We’re going to be a two billion dollar company in 2010.”
- “We’ll be growing again by December...”

Leaders simply can’t make these kinds of statements right now given economic uncertainty, but just because they can’t promise doesn’t mean they can’t communicate.

TL: Agreed. It also seems that leaders must stop focusing just on communicating about the activities going on (such as layoffs) and focus much more on how their people are feeling and how they can help them to feel more reassured -- so they can focus on the job to be done.

Moore: I totally agree. Reassurance without shading the truth is essential now. And simply to see and hear from leaders *regularly—more often than usual, in fact*—is in and of itself reassuring, despite the news at hand. In other words, as goes uncertainty, so should go communication. The more of the one, the more of the other. The mistake I see most often is that there’s a flurry of communication around some turning point or adjustment to the downturn and then a return to business as usual. For example, if a company has all-hands meetings every quarter, they continue on that pace, as if nothing around them has changed.

Leaders need to say to themselves, “Hmmm...uncertainty is high and we need to have a different communications pattern for as long as uncertainty remains high.” For instance, they might use a CEO email monthly or an additional, abbreviated all-hands meeting during each quarter.

Employees *need* to hear the good news and the bad—yes, they need to hear the bad if it’s there because they want honesty. In bad times the good news is a relief--recent sales achievements, for instance or new product releases. And they need to hear the bad, too—briefly and honestly....missed numbers, for example, *and* your plans to fix the situation. And then leaders can finish such communications with an optimistic, truthful estimate of the long term.

TL: Are there any internal barriers you see that prevent leaders from doing this?

Moore: Leaders naturally hunker down in themselves at a time like this, as if they've gone into constriction mode. They feel so responsible for layoffs, for controlling costs, for not making mistakes. They may feel they made a mistake by hiring all those people and now for having to lay some of them off and they're worried about doing the right thing. But if they constrict their thinking too much, they are more likely to make mistakes, not less.

TL: And how can they break out of this?

Moore: I think it helps for executives to come together, talk over the situation, put the toughest facts on the table, and talk about possibilities. What can they learn from how they got here? What can they do differently now? They need to talk lessons learned instead of "Ain't it awful..." or "We should have done something different..."

We all feel awful about much of what's going on around us now, but what's productive is asking, "What can we learn?" For example, leaders may hear complaints from employees about all the new hires that came on board either right before or even during a layoff period. Rather than justify their actions first, strong leaders first ask what they can learn from this criticism. Can they improve their forecasting system so the gap is lessened in the next downturn?

TL: Let's talk about the importance of interpretation. It's not enough to just communicate what's going on, or even the particular steps a leader is taking to lead the company through the downturn and position it for the coming upturn.

Moore: Absolutely. The real point is not, "What did we do this quarter?" It's, "What does it mean?" Do the new numbers mean we're losing market share or holding our own? Are we still finding our way to where the bottom is? What indicators are we looking for that will tell us when we'll be out of the woods? Again, it's essential to share hopeful views of the future along with honest assessments of the current situation.

TL: And each company's situation is different, so information means different things in different companies.

Moore: Yes. Each situation. Each company is unique. Given that communication should be proportional to uncertainty, a company somewhat insulated from the current economy may not need to amp up communications much. Leaders have to remember, though, that employees feel the level of uncertainty associated with their specific company *and* the uncertainty at large. Even if a company is stable, employees' 401(k)'s and houses have dropped in value, so they are likely feeling some uncertainty.

Leaders have to remember that their perspective is different from employees. They know more, and their financial situations are often less difficult. They have

to put themselves in their employees' shoes and consider what they know that employees don't know, especially things that reassure for the long term. For example, maybe employees are not aware that a company has a year's worth of cash on hand or how important that is.

TL: Thanks, Mary, for sharing your advice with our *Traveling Light* readers.

Moore: My pleasure.

News

Lots of happenings these past two weeks!

One big highlight happened on Sunday. My first Association for Psychological Type International board meeting was January 29 – February 1. So what was the big thrill?

Was it getting to work with great gurus of my profession, the authors of *Introduction to Type® and Teams*, *Introduction to Type® and Leadership*, *Introduction to Type® and Decision Making*, *What Will I Do With My Money?*, *The Eight Colors of Fitness*, *Differentiated Coaching*, *SoulTypes*, *8 Keys to Self-Leadership*, *Multiple Intelligences and Personality Type : Tools and Strategies for Developing Human Potential*, *LifeKeys: Discover Who You Are*, and countless other titles?

Was it the thrill of directly influencing the future of my profession?

How about the honor of leading? Was it that?

Heck, no. None of this compares with what happened to me at the Dallas airport on Sunday.

Drum roll, please...I, 45-year-old Jennifer Selby Long...GOT CARDED! Yes! Whoo hoo! Oh, yeah, life is good...

Speaking of APTi, I got a sneak peak at the August 5 – 9 conference program, which has just been finalized. This conference is *the best kept secret in personal and professional development* and the price is so recession-friendly.

The Early Bird registration discount is good through February 14. Click here for a sneak peek at the conference program, which hasn't been posted for the public yet: <http://www.aptinternational.org/assets/2009programfeb209.pdf> and here to take advantage of the Early Bird discount: <http://www.aptinternational.org/content.asp?p=136>.

I'll be speaking at the conference on the topic of *Personal Fulfillment and Financial Security: Hidden Secrets to Have BOTH*. If that's not a timely topic, I don't know what is.

I'm now on Twitter. Currently my ID is JenniferSelby (not JenniferSelbyLong), due to constraints on name length which bias against those of us with long names!

I've just begun to post my first tweets.

Follow me and I'll follow you. I can see how this could become additive...

Selby Group is on the move! We're back in Oakland after three years in San Francisco.

The new Selby Group phone number is:
(510) 595-3800

Our new mailing address is:
3871 Piedmont Avenue, #66
Oakland, CA 94611

Just for Fun

I'm often asked who does my headshots (that's publishing lingo for "pictures of my head"). It's San Francisco photographer Jane Richey, best known for her work with musicians, actors, and ad agencies.

Since it's Friday afternoon and you just might be easing into weekend mode, check out Jane's hip work with John Lee Hooker, Chris Isaak, Neil Young, Journey, Sierra Leone's Refugee All-Stars, and Robert Cray at www.janerichey.com.

Fans of travel writer Rick Steves, and anyone considering a trip to Spain, can hear me share my favorite tiny Spanish whitewashed hill town on his radio show, "Travel with Rick Steves." I'm a huge fan of his, and it was so fun to be a guest

on his show! He's every bit as nice live as he is on his TV program and he is even sending me the book of my choice as a thank-you!

Just go to http://www.ricksteves.com/radio/radio_menu.htm to see when the Spain episode will be aired on your local radio station.