

Tell the story, sell the story

 By [Julia Leuner](#)

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Sub-optimal communication costs companies millions of rands each year. It costs in terms of lost opportunities, in duplication of resources, in diminished productivity, in reduced outputs and in a myriad other ways - and it's not a problem unique to blue chip organisations. It is endemic in both the private and the public sector and across all industries and is as much about a lack of brand communication as it is about strategy. Organisations need to talk amongst each other and to each other - even if they're in opposing camps.

Many brands are in disarray beneath the surface of corporate South Africa. Ineffective company structures and insufficient focus on actively sustaining strong brand awareness are impeding the progress of many organisations and limiting their potential. An organisation's business and brand strategies are intertwined, but all too often, a lack of communication weakens both and many organisations don't get a wake-up call until it's too late.

Much can be learnt from Wal-Mart's approach where it actively engages with stakeholders to find solutions. When the company issued a challenge to the manufacturers of personal computers to reduce their environmental impact, Hewlett Packard responded with a solution that reduced the amount of disposable packaging by 97%. Full marks for communication - and a real value-add for all stakeholders.

Clear and inclusive communications

Most organisations have marketing departments which generally do a good job of facilitating the sale of products or services, but they are really only concerned with one stakeholder - the consumer. Yet, getting products to market involves many more than that. Even where organisations have dedicated communications or public affairs departments, their daily function is usually not directed by a clear and inclusive communications and brand strategy.

Their focus tends to be on senior level external dialogue, with responsibilities often delegated to busy human resources personnel. Instead of simply filtering the CEO's message down the ranks, they should be facilitating a multi-directional flow and transfer of information and aligning every stakeholder to company strategy.

The starting point for the communications platform has to be the brand strategy. This sets the roadmap and the boundaries for what a corporation is willing to do, and what it's not willing to do. Brand strategy and corporate strategy are interwoven and they have to align.

Not everyone in an organisation can contribute to strategy - but everyone needs to know about it. It's about communicating the value set. If employees know what is expected of them and what they are working towards, they are far more likely to

meet expectations.

Addressing environmental challenges

Take the case of the General Electric Company (GE). Recognising the need to clean up its poor corporate reputation on environmental issues, address environmental challenges and drive growth, GE launched a large scale sustainability programme called 'Ecomagination' in May 2005.

The company-wide business strategy aimed to find innovative solutions to environmental challenges whilst driving economic growth and it has been one of its most successful commercial initiatives ever.

In its 2010 Ecomagination report, GE reported that since inception, the programme had earned US\$18 billion in revenue from its Ecomagination product lines and US\$85 million in sales. The programme also helped GE cut its energy intensity in 2010 by almost 33% and reduce greenhouse gas emissions by 24% compared with a 2004 baseline - a clear illustration of what GE chairman and CEO, Jeffrey Immelt, said at the launch of the initiative in 2005: "...we plan to make money doing it. Increasingly for business, 'green' is green."

Communication has to run horizontally as well as vertically, with the CEO's message as important as a contribution from a factory worker. At the same time, organisations have to remember *who* they are talking to, and *why* they are talking to them.

Is it more important for investors to know that a mine is fulfilling its social responsibility obligations with an HIV/AIDS programme than it is for the community to know and understand that the employer's interventions have resulted in a reduced rate of HIV infection? The message has to mean something to every audience and their response to that message has to be heard too.

Communicating across language and cultural divides

Shortcomings in corporate communications aren't restricted to South African organisations, but local language and cultural diversity as well as literacy issues present some particular challenges. It costs more to communicate across language and cultural divides, but there are many practical solutions. In fact, HKLM has seen a definite resurgence of demand for some of the more traditional - but no less effective - communication channels such as video, industrial theatre and storytelling to reach diverse audiences. But whatever the medium, the story has to align to brand strategy and to the business strategy.

Change will come when even more resources are allocated to communications budgets - and that doesn't mean increasing the size of the marketing department. It requires inspired leaders who set an example, it requires courage to invest in free flow of dialogue and it requires commitment to follow through on promises.

The use of new communications technologies will also drive change. Many organisations have already reaped the benefits of embracing opportunities presented by social media in particular, among them professional services firm, Deloitte. Contrary to the route taken by many other organisations, they didn't ban employees from using social media, but rather used it as a collaborative tool. In one instance, employees were encouraged to leverage their Facebook accounts and other social networks to find new recruits for the firm, with the referral programme accounting for 40% of new staff.

Organisations can't operate effectively with sub-optimal communications - whether it's between the ranks or externally. Unless there is consistent and sustained effort to preserve brand integrity and maintain fluid dialogue with all stakeholders, organisations risk compromising their foundations and their future.

ABOUT JULIA LEUNER

Julia Bouie Leuner is client service director and board member of HKLM. Her industry career spans twelve years; centered on investor and stakeholder communications, key account management, business development and general management. Julia has a B.Soc Sci (Rhodes), Diploma in Communications Management (VEGA), Post Graduate diploma in Business Administration (GIBS) and MBA (GIBS).

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