

# Communication Departments Are Getting More For Less

*By Jim Shaffer*

Every business leader is being confronted with the “more for less” issue. The customer is shouting at all of us. “Give me more value. If what you’re doing isn’t something I’m willing to spend my money on, stop doing it because I don’t want to pay for it.”

Customers are forcing all of us to make sure that for every dollar we spend, we get a reasonable return on that investment. One knee-jerk reaction that some misguided businesses take is simply to cut costs or do less of what they’ve always done. This may represent a convenient short-term solution, but it doesn’t necessarily get at the real issue—the need to add more value. Great businesses look for ways to increase their value to cost, i.e., get more value for each dollar they spend.

For most disciplines, that’s meant stepping back and re-examining everything that’s done through a value-to-cost filter. This re-examination has led many people in staff functions (e.g., supply chain management, human resources, finance and communication) to shift their roles and the nature of their work. This, in turn, has led to discontinuing low value-added work or finding new ways to get lower value-added work done more economically (e.g., through outsourcing or the use of technology). It’s

also opened up exciting opportunities to move into new areas where more value can be added.

FedEx represents an example. The FedEx Express internal communication team is under the same pressures to add more value as everyone else in the corporate world. After a thorough examination of their role and discovery of ways they might be able to add more value, the communication department helped their Los Angeles hub improve export volume by more than 15% and revenues by more than 23% with a 14.5% return on investment.

In a just-completed similar effort among five more FedEx hubs, they increased the number of qualified sales leads by 14,000 over the previous year. One lead alone is projected to bring in nearly \$2 million in new business. Given the project’s cost, that \$2 million alone represents a nearly 800% ROI. And that’s just one of 14,000 leads!

How did they do this? The internal communication department is changing its role from primarily an information distribution business to a problem-solving business. Instead of seeing their world as a hungry audience waiting to be fed the latest corporate news, they’ve decided to put their communication expertise to work in other

ways. They're hunting out and eliminating communication breakdowns that hurt the business. Like mixed messages where what is said communicates one thing but what is done communicates another. Or slow-moving, inaccurate information or the absence of information, all of which make it tough for people to do their jobs well.

FedEx started by taking stock of what was working and what wasn't. They listened to their own leaders and to employees in the field. They kept hearing the same thing. You're doing good things, but you could add more value by attacking performance issues caused by communication defects."

Those defects usually happen in what I call the dark spaces—the dark and elusive silos that lurk between functions and departments—that no-man's land where there's weak responsibility or accountability.

It's not really HR's job or operations' job or the job of the communications department to address these breakdowns. It's everyone's job but no one really has responsibility for it. .

So, FedEx communications stepped up, assembled teammates from operations, HR, sales, call centers and corporate support in Memphis. They got everyone to agree on an important outcome: increase US export volume, a critical FedEx goal, by improving communication, information-sharing and knowledge.

Together, they identified the root causes of the breakdowns, and then jointly worked to eliminate them.

As they reshape their role, do they still work to keep people informed? Of course. But, informing people is not their ultimate goal. Informing people represents the means to a greater goal—improving operating and financial returns.

The function is becoming less process focused and more outcome focused, which

is a laudable objective for any staff function in business today.

Our customers are forcing us all to get more with less. Sometimes it requires dramatic changes in the way we think about our businesses. Just doing less of what we've always done isn't necessarily good business. But, identifying new needs and then filling those needs, as FedEx Express's internal communications function has done, is great business.

It's great for the customer, for the company and for the people within the communications function.