
Reinventing Internal Communication to Add More Value

A Best Practice

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Performance
Counts!

Jim Shaffer
GROUP

Advanced Learning
Institute
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The Case for Reinvention

“Our profession is disappearing before our eyes. If we don’t reinvent we will be irrelevant. Can business communication reinvent itself or is the ride over?”

D. Mark Schumann

IABC Immediate Past Chair

October 17, 2012



Case Study

**ConAgra Foods
Reinvention Process**

Your Checklist



Lebanon, Indiana



What Employees Said

We **SAY** safety,
quality and
productivity are
important...

But we **DO**...

Hire people who've never run a forklift

Train only a half-day

Get told to pack damaged pallets

Focus numbers on productivity

Re-stage racks multiple times

Not know how to get recognized

Not ask people how to improve quality



Carole's Revelation and Admonition

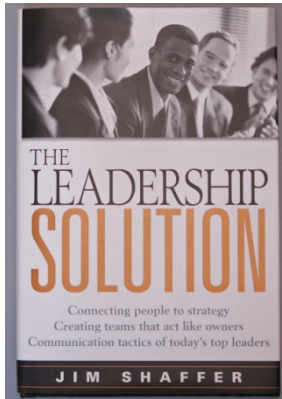
1

Leadership Incentive Category	Weighting
Productivity	80%
Safety	10%
Quality	10%

2

“You can improve quality but not at the expense of productivity.”





“Communication represents all the ways we send, receive and process information. It’s the things we say and the things we don’t say. It’s what we do and what we don’t do. You can’t not communicate.”



Actions To Align the Say and Do

The Say/Do Story

New Leadership Goals

Balanced Scoreboard
on Safety, Quality and
Productivity

Continuous
Improvement Huddling
Process

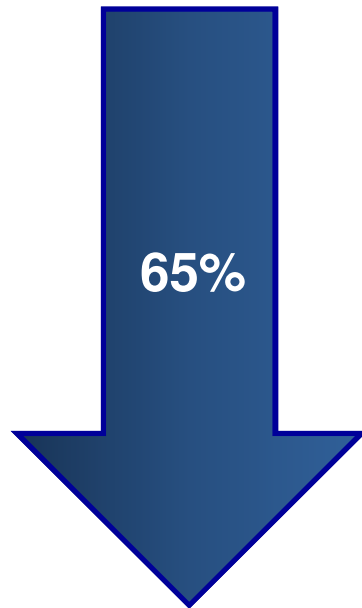
New Recruiting

More In-Depth Training

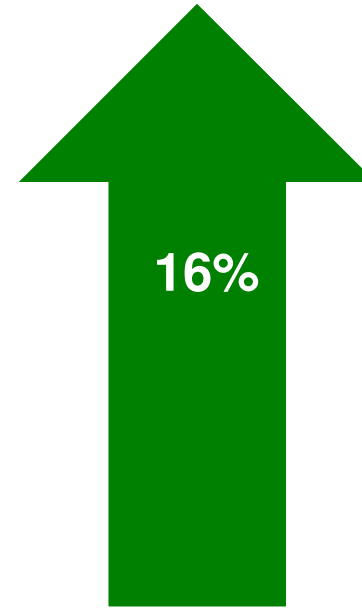
Improved Staging

Recognition





DAMAGE



PRODUCTIVITY





Communication & External Relations Successes

- 35% reduction in OSHA recordables
- 50% reduction in OSHA recordables
- 50% reduction in re-work
- 27% reduction in turnover
- 65% reduction in warehouse damage
- 16% improvement in productivity
- 63% reduction in inventory adjustments



Best practice leaders

Honeywell

- 10 day billing cycle reduction
- 1.4 million process steps eliminated



- 23% increase in revenues (ROI: 1,447%)
- \$6.1 million increase in revenues (ROI: 1,660%)
- 25% reduction in freight claims paid
- 54% reduction in truck accidents



- 18% improvement in yield loss



- 38% increase in on time delivery
- OSHA recordables reduction (13 per year to 0)
- 31% reduction in total cycle time
- 50% improvement in quality
- On time delivery from 40-100%
- 10% improvement in productivity
- 30% increase in sales
- On time delivery up from 67% to 92%
- Total cycle time from 26 to 17



- 9% increase in productivity (ROI: 700%)
- 82% reduction in OSHA recordables
- 11.3% increase in productivity
- 8% cost per pound reduction
- 74% reduction in product changeover time
- \$300K/year savings from process cycle time reduction
- 80% reduction in downtime



1.

• **Comprehensive Assessment**

2.

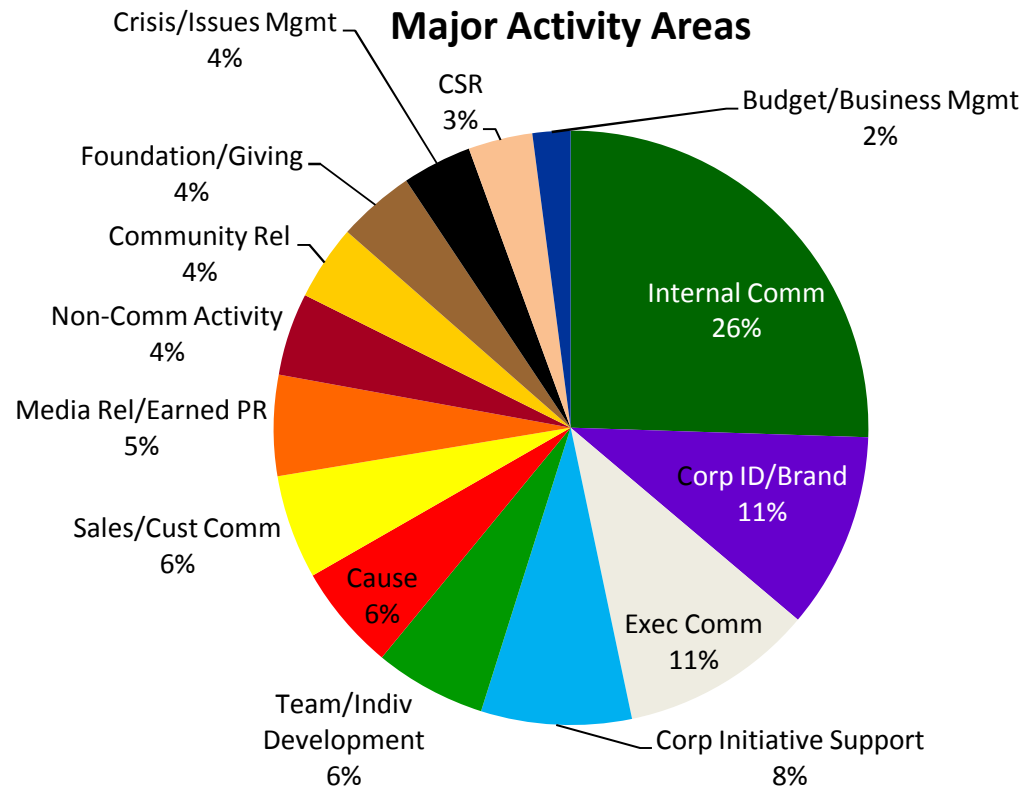
• **Detailed Findings/Analysis**

3.

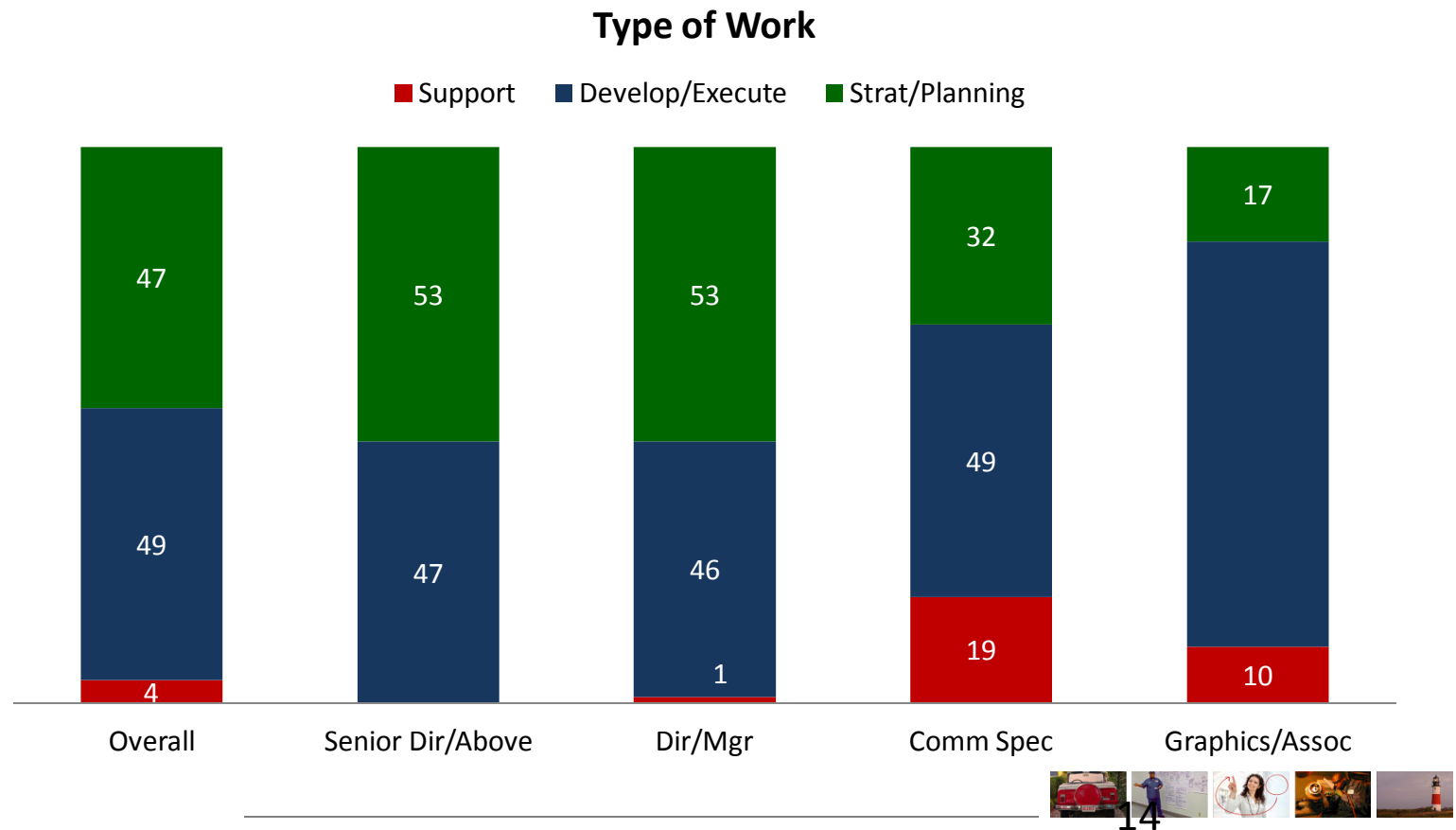
• **9 Actions to Increase Value**



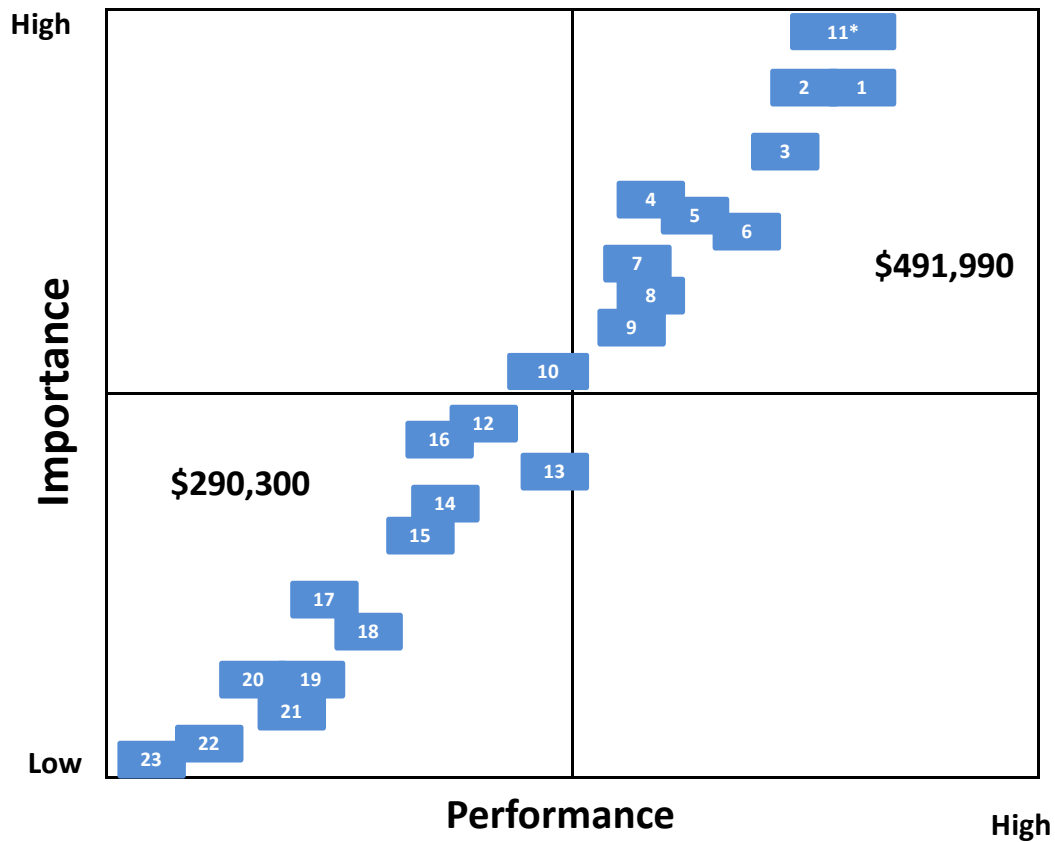
Percentage of Time by Major Activity



Percentage of Total Compensation by Type of Work



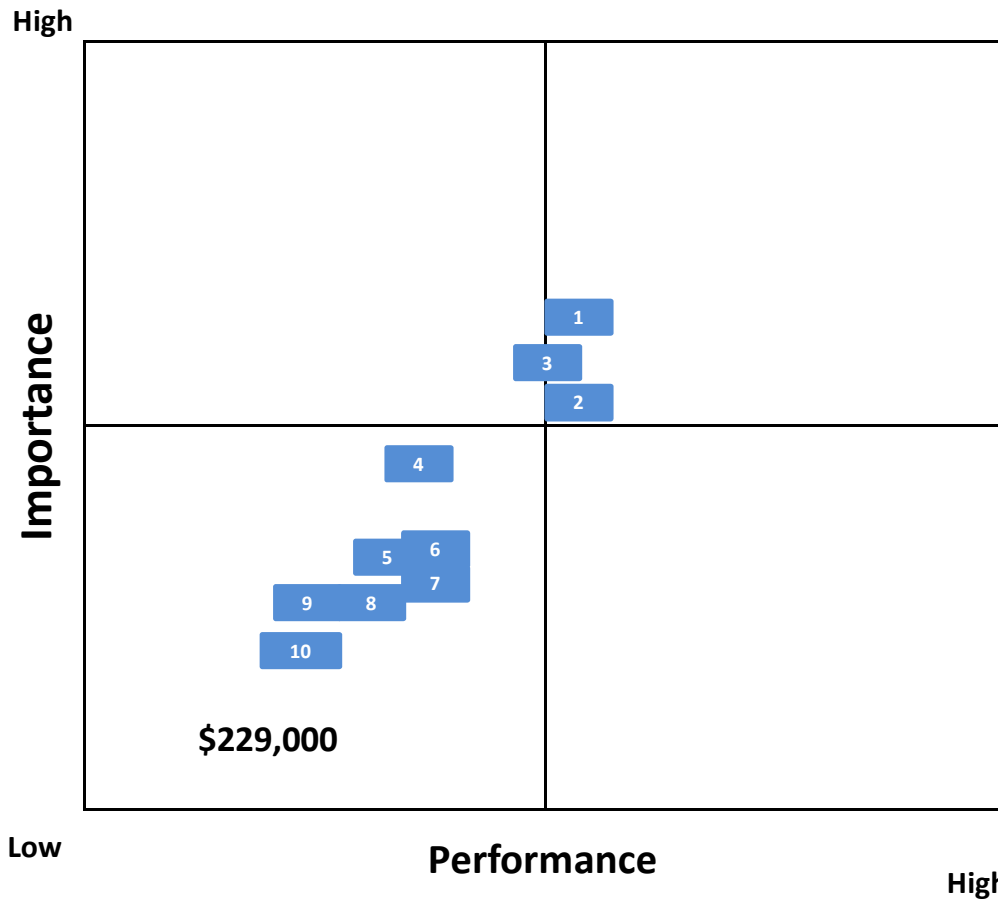
Value-to-cost--Salaried



Channels	
1.	My co-workers (83/76)
2.	Dept/Team Meetings (83/71)
3.	1:1 meetings with supervisor (73/68)
4.	Networking with peers across company (65/55)
5.	Town hall meetings with BU or functional leader (63/58)
6.	Quarterly town hall webcasts with CEO (62/62)
7.	Sr. leader emails (CEO et al) (57/55)
8.	Annual all-employee meetings with CEO (53/55)
9.	Sr. leader videos (CEO, et al) (51/54)
10.	Exec. Forums (informal meetings with senior leaders (
11.	Quarterly leader business update meetings with CEO et al (*85/72 among VP+; 85/75 among Sr. Dir/Dir.)
12.	Online e-learning modules (40/41)
13.	Portal news (front page) (36/45)
14.	Texting (36/31)
15.	Scoreboards/Scorecards (30/27)
16.	AnswerSource(38/34)
17.	Sales Wire e-newsletter (19/21)
18.	Posters and wall graphics (16/23)
19.	Community bulleting boards (13/20)
20.	Broadcast voicemail (13/16)
21.	Recipe box & cards for leaders (12/18)
22.	Portal blog (3/13)
23.	Yammer (2/7)



Value to cost--Hourly



Channels	
1.	1:1 Mtgs. with supervisor (64/54)
2.	Info. Mtgs. with plant leader (55/51)
3.	Pre-shift mtgs (58/50)
4.	Handout materials from manager (46/39)
5.	Plant visits from CAG corporate leaders (35/36)
6.	Scoreboards and scorecards (37/38)
7.	Posters and wall graphics (34/38)
8.	Info on TV and monitors (32/35)
9.	Company news on portal front page (32/33)
10.	Info to homes (25/31)



Four New Communication Objectives



Nine Actions to Improve

Actions	Highlights
1. Clarify internal communication role	<ul style="list-style-type: none">▪ Contribute to top and bottom line goals▪ Improve value to cost▪ Build the company's communication capability as a competitive advantage
2. Secure leadership commitment	<ul style="list-style-type: none">▪ Role focuses more on outcomes than only output▪ Value-adding work will be added; low value-adding work will be reduced▪ All leaders need to help make the transition
3. Strengthen leadership communication	<ul style="list-style-type: none">▪ Agree on leadership communication roles▪ Improve communication skills and knowledge▪ Integrate with performance management process

Nine Actions to Improve

Actions	Highlights
4. Improve business results	<ul style="list-style-type: none"> ▪ Create showcase “best place to work” pilot that improves business results ▪ Conduct wellness pilot to reduce risk factors and health care costs ▪ Replicate results from both across the company
5. Connect everyone to the Recipe	<ul style="list-style-type: none"> ▪ Create a meeting cycle that connects people and their work to the Recipe and Ambition ▪ Teach leaders how to use the process; provide tools they can use
6. Improve the function’s work processes	<ul style="list-style-type: none"> ▪ Use lean processes to create and regularly monitor new functional KPIs ▪ Streamline key processes to reduce costs and improve cycle time

Nine Actions to Improve

Actions	Highlights
7. Build internal communication capabilities	<ul style="list-style-type: none">▪ Identify gaps in needed capabilities▪ Create a plan to reduce the gaps. Include new hires with needed skills, pilot participation, improving business and financial literacy, etc.
8. Increase integration	<ul style="list-style-type: none">▪ Create a process that integrates internal communication with the CAG planning process▪ Develop and implement plans that help implement the Recipe and realize the Ambition
9. Improve value to cost	<ul style="list-style-type: none">▪ Determine where existing resources can be redeployed to generate better value to cost▪ Implement an effective digital strategy



**“Nobody buys
communication!”**



Checklist

	What business should we be in?
	What's our value proposition?
	What do we need to do very well?
	What's our current value-to-cost ratio?
	What work will we do? What won't we do?
	How should we organize to improve value?
	How will we measure our performance?
	How do we assure that our leadership is 100% supportive of this reinvention?
	How do we communicate the reinvented function to the organization?
	How do we create an early success with a pilot.
	What business should we be in?



The Leadership Report

Jim Shaffer
GROUP



April

We have a listening problem

I am absolutely convinced that if business leaders everywhere spent more time actively listening to their people and less time telling them what to do they'd see an exponential improvement in productivity.

A huge percentage (75% for starters?) of the performance improvements we create in companies comes from ideas generated inside our client companies. People driving forklifts. Selling the product. Running bakery ovens. Putting molecules together in a lab. Processing insurance claims. Designing packaging.

Ask Art

The legendary poultry processor, Frank Perdue, took me on a tour of his Salisbury, Maryland plant a number of years ago. As we were walking, he pointed to a man running a machine. *(More)*

Sign up for Jim Shaffer's popular free monthly Leadership Report—a commentary on real issues facing all leaders...

Name: _____

Position: _____

Company: _____

Simply fill in the information requested above, tear this page out and give it to Jim after the session

Thank you.

Comments: _____

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