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Silencing the static
Engaging employees in an unsettled environment

Contents

Introduction

Just like static on a mobile phone or radio signal can create background noise that makes it difficult to understand messages, information overload can have a deafening effect on an organization's ability to get through to its employees.

The average employee receives approximately 80 emails per day from internal sources alone, according to technology market researchers[1]. This volume, coupled with the barrage of information from various other sources, can create communications "noise," leaving important messages overlooked or, worse, ignored. Despite this volume of communications, two-thirds of employees report not receiving adequate information from leadership, particularly during times of change.[2]

The Office of Personnel Management's annual Federal Employee Viewpoint Survey (FEVS) found that half of employees in the Federal sector report dissatisfaction with the information they receive from management, and more than one third do not believe managers communicate organizational goals and priorities effectively. These numbers indicate that, although managers may think they are communicating, content often does not reach employees in a way that addresses their concerns and motivates them to action.

In a constrained fiscal environment where Federal employees have recently faced pay freezes and furloughs, it is important for agency leaders to find ways to silence the static and engage the workforce, increase morale, help employees understand how they connect to the organizational mission, and amplify the impact of existing organizational initiatives and investments.

As a key driver of employee engagement, effective and purposeful employee communications is one of the most valuable investments a Federal agency can make.

This paper will explore:

- Current employee engagement challenges in the Federal environment

- The value of internal communications and its relationship to employee satisfaction and engagement

- Recommended strategies for improving communications to increase employee engagement

- Deloitte's tested process for developing and implementing an effective, analytics-driven internal communications plan

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In a constrained fiscal environment of recent pay freezes and furloughs, it is important to find ways to silence the static and engage the workforce.

[1] Radicati, Sara. Email Statistics Report, 2011-2015.
[2] Holmes Report. Employees don't receive enough information during corporate change, June 2013.

Challenge

The constrained fiscal environment continues to challenge employee morale and engagement in the Federal workforce

Recent polls[3] of the Federal workforce reveal a continued decline in employee morale and engagement, likely influenced by ongoing budget uncertainty and decreased resources. Government employees at all organizational levels cite nervousness about their job security and personal financial situations, and they believe decision-makers do not value their hard work and contributions.

Employee concerns are often intensified by the proliferation of messages they receive pertaining to Federal budget issues and associated impacts. Information (and sometimes misinformation) coming from news media coverage, social media, organizational communications, and even the rumor mill can combine to create negative noise that can be overwhelming and demoralizing.

In addition to environmental factors that challenge employee engagement, Federal employees are increasingly dissatisfied with internal communications and their jobs. Deloitte analyzed positive responses to four survey items in FEVS from 2008 through 2013 to gauge employee perceptions of specific characteristics of their work environments, shown in Figure 1.

Results were tracked in the following areas:

- To what extent do managers communicate the goals and priorities of the organization?
- How satisfied are you with the information you receive from management about what's going on in your organization?
- Considering everything, how satisfied are you with your job?
- Considering everything, how satisfied are you with your organization?

Figure 1: FEVS data on communications and satisfaction from 2008 through 2013.
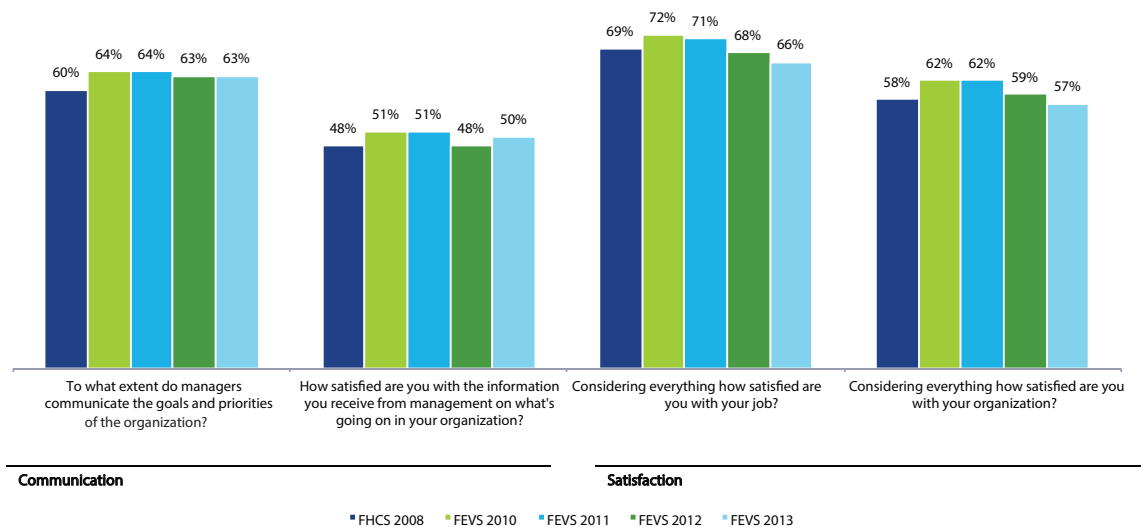
Source: Deloitte, based on FEVS data from 2008 to 2013

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[3] Various 2013 news polls, including Federal News Radio and Washington-Post/ABC News.

Results show that satisfaction with the current state of internal communications, jobs, and agencies has remained relatively low since 2008, with slight increases in 2010 and 2011. The most recent scores suggest that only one out of two Federal employees is satisfied with the information received by management on what is going on in his or her organization, and only slightly more than half are satisfied with their organizations overall.

These results leave Federal leaders in a challenging position. Not only must they work to increase employee engagement, but they must do so in an environment where other external forces are negatively impacting employee morale. With a limited budget and ever-shrinking resources, it is more challenging than ever to figure out how to combat employee dissatisfaction and disengagement, improve employee morale and productivity, and ultimately achieve mission success.

The cost of disengaged employees

Employee engagement is defined as an individual's involvement in, commitment to, and satisfaction with work. In our corresponding paper, "Performance in a cost-constrained Federal environment: Improving employee engagement to do more with less,"[1] Deloitte shared that the employee engagement construct consists of cognitive, emotional, and behavioral components.

While "satisfied" employees have positive work attitudes, "engaged" employees have intellectual and emotional commitments to their work, which create deeper attachments to their jobs and can lead to higher performance.

In contrast, disengaged employees do not feel "connected" to their work and may act out on their unhappiness, or even try to undermine the work engaged employees are trying to accomplish.

Why is this significant? A 2006 study concluded that Federal agencies with disengaged employees cost a staggering $65 billion of taxpayer dollars in lost productivity annually, while organizations with engaged employees enjoy 26 percent higher employee productivity.[2]

[1] Downloadable at www.deloitte.com.
[2] Krueger, J and Killham, E. 2006. Why Dilbert Is Right. Gallup Management Journal.

Opportunity

Internal communications provides a platform to engage employees

In spite of fiscal challenges and employee concerns, agencies must continue to mobilize their workforces in support of their missions; however, disengaged employees are difficult to motivate. By leveraging a wide range of communications approaches— from regularly-scheduled town hall meetings to ongoing social media discourse— agency leaders can help energize the workforce and maximize performance.

During uncertain times, however, the default reaction of many Federal agencies may be to stop or scale back communications to employees. In contrast to open, honest, empathic, two-way communication, this reaction usually has a negative impact on employee engagement. In an information vacuum, any misinformation being spread is likelier to exacerbate disengagement and lower morale among the workforce.

There is no question that there is a direct correlation between effective strategic communications and overall employee engagement. Further examination of aforementioned FEVS trends depicts a significant relationship between agencies' internal communications and employee job satisfaction ($r = .70$, $p < .001$), suggesting that higher scores on communications positively impact scores on employee satisfaction.[4] (See Figure 2.) Furthermore, multiple studies have shown that employee satisfaction with communications in their organizations is linked to their organizational commitment, job satisfaction, and ultimately job performance and productivity. Clear, targeted, cohesive, and regular internal communications that tie employees to the mission of an organization have a demonstrated impact on high organizational performance. (See Figure 3.)

Figure 2: Correlation between effective internal communications and Federal employee satisfaction
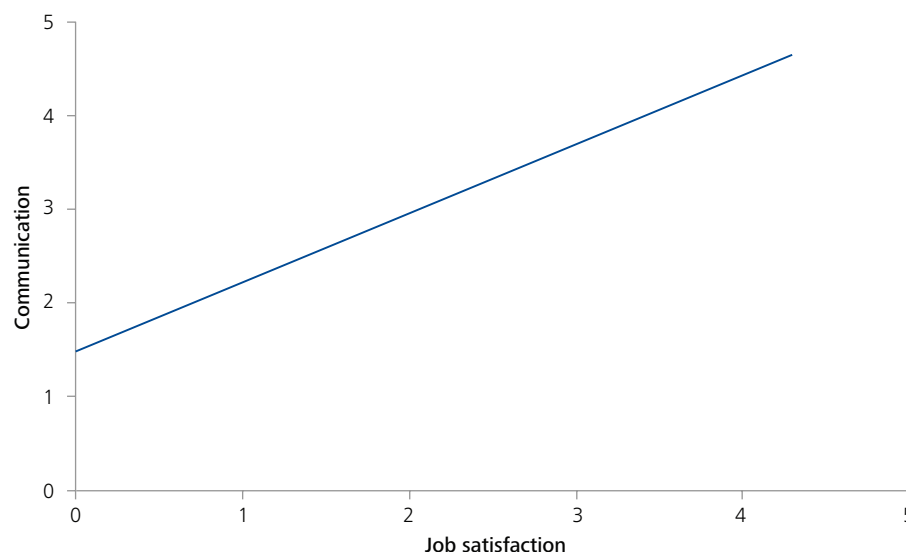
Source: Deloitte, based on FEVS data from 2008 to 2013.

[4] Linear regression was used to test this relationship. A Pearson Product Moment correlation coefficient tests the relationship between two variables and is the statistic used in a linear regression analysis. The two variables tested were created using aggregated item scores of the respective items in Figure 1. The relationship is considered to be strongest as r approaches +/- 1.0.

Figure 3: How effective strategic internal communications impacts organizational performance.

Heightened organizational performance

Positive work environment	Strong employee relationships	Lower attrition rates
Clear employee expectations	Increased employee engagement	Common vision
Greater employee teamwork	New ideas and innovation	Alignment to organization priorities

Strategic internal communications

Source: Deloitte, based on four studies: Goh, Josh. 2010. Driving Communication to a Better Bottom Line; IABC Greater Cincinnati. Effective Communications Practices Influence Bottom Line; Richards, Leigh. How Effective Communication Will Help an Organization; Vogt, Peter. Communications ROI Study Shows How to Get Bottom-Line Results from Internal Communication.

Effective internal communications can help combat disengagement

Deloitte and the Partnership for Public Service recently examined the past decade of *Best Places to Work in the Federal Government*® rankings of profile high-performing agencies.[1] Six success factors emerged: owning change, partnering with unions, going for quick wins, developing shared values, investing in employees, and the one highlighted in this paper — connecting through communications. Virtually all of the featured agencies that set out to improve employee satisfaction placed a focus on having managers and senior leaders improve how they communicate with employees.

For example, in 2010, the Department of Transportation (DOT) launched IdeaHub, an online community where all employees can submit and collaborate on ideas to drive innovation and facilitate change. Since its debut, approximately 20,000 employees have used IdeaHub to provide more than 9,000 ideas, upwards of 90,000 ratings, and nearly 25,000 comments. More than 100 employee-submitted ideas have already been adopted.[2] Increased engagement and collaboration among management and employees are among some of the most important results of IdeaHub to date. Furthermore, IdeaHub is changing the way DOT management and employees interact — toppling the old paradigm of top-down management in favor of one where everyone can collaborate to share knowledge and expertise.

IdeaHub is just one of a wide variety of potentially engaging internal communications techniques. Other Federal agencies improved organizational transparency and understanding by addressing employee questions and concerns through hosting town hall meetings; holding interactive video conferences or brown-bag sessions with senior leaders; or using regular blog postings, weekly newsletters, and social media to foster dialogue. All of these agencies effectively illustrated the power of two-way discourse in their distinct internal communications approaches.

[1]Deloitte and Partnership for Public Service. Ten Years of BPTW Rankings: How Six Federal Agencies Improved Employee Satisfaction and Commitment, 2013.
[2]http://www.dot.gov/cio/ideahub

Where to Start

An analytics-based approach is important for internal communications impact

Effective internal communications promotes teamwork, strong relationships, and a positive work environment. As demonstrated at DOT, it can also inspire innovation among employees — a particularly critical benefit, as FEVS reports show that government-wide innovation scores dropped over two percentage points from 2012 to 2013[5] .

Leaders seeking to reverse downward-trending indicators for engagement, innovation, and other critical markers for organizational health may look to a strong internal strategic communications framework. Developing a strategic approach can help agency leaders define goals, identify key stakeholder audiences, and choose appropriate communications and feedback tools.

But what makes communications "strategic"? Data-driven analytics can help agencies execute communications with measurable impact. Analytics encompassing relevant stakeholder and organizational data can help ensure communications are received, understood, internalized, and reciprocated.

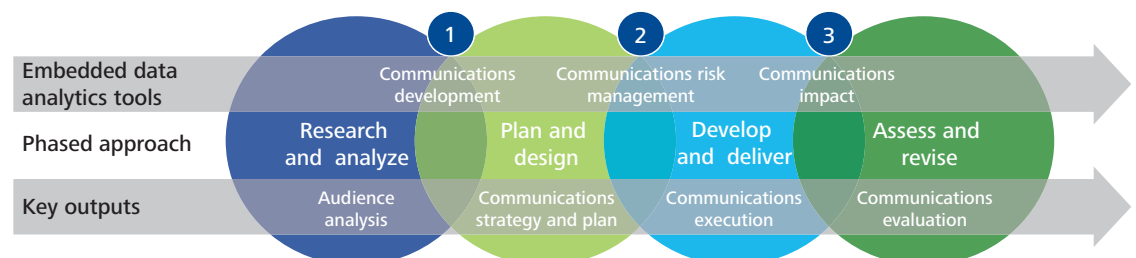**Turn words into actions by following a phased approach**

The phased communications approach shown in Figure 4 equips leaders with a practical, data-driven methodology to develop, implement, and evaluate engaging communications in an organization. While the process follows a relatively traditional communications framework, it relies on formative research and embedded analytics tools to guide the communications strategy. Integrating analytics throughout the internal communications lifecycle enables agency leaders to track and monitor the results of communications and remain adaptive in a constantly changing political and fiscal environment.

Specifically, embedding the following three types of data analytics tools, further described in Figure 5, into a strategic framework can lead to more engaging communications:

- Tools to enhance communications development
- Tools to understand and manage communications risks
- Tools to measure the impact of communications

With the help of these tools, data analytics can be used throughout the communications process to gather, integrate, interpret, and present data in an unbiased, credible manner.

Figure 4: Deloitte Federal Strategic Communications Framework.

		1 Communications development	2 Communications risk management	3 Communications impact	
Embedded data analytics tools					
Phased approach	Research and analyze	Plan and design	Develop and deliver	Assess and revise	
Key outputs	Audience analysis	Communications strategy and plan	Communications execution	Communications evaluation	

[5] Partnership for Public Service. 2013 Best Places to Work in the Federal Government® Innovation Analysis, April 2014.

Figure 5: Embedded data analytics tools descriptions.

Tool type	Definition	Deloitte toolkit examples
1 Communications development	Tools that help an agency gather and translate research findings and data analysis into a targeted communications strategy, plan, messages, and channels designed for a specific audience.	Stakeholder Analysis, Sentiment Analysis, Shared Vision and Goals Alignment
2 Communications risk management	Tools that help an agency identify and mitigate the risks of both communicating and not communicating, taking into account statutory and regulatory frameworks as well as potential stakeholder impacts.	As One, Brand Resiliency Tool, Change Analytics Risk Assessment, Change Readiness Assessment
3 Communications impact measurement	Tools that provide a detailed understanding of the effectiveness of communications in achieving desired outcomes, calculating return on investment, and deciding if communications should continue, change, or cease.	Communications Impact Assessment, Digital Media Analytics and Monitoring, Predictive Analytics

Phase 1: Research and Analyze

Conduct formative research to assess the agency's current state

Potential benefits
- Enables a data-driven understanding of employee audiences
- Builds an awareness of employee concerns
- Creates a roadmap of how to reach stakeholders "where they are"
- Serves as the foundation for a targeted engagement strategy

An understanding of an agency's employees and its current state of communications is fundamental to creating customized strategic communications plans for the agency. To this end, the first phase of the strategic communications framework is Research and Analyze. Agencies should begin by assessing the communications "as-is" and "to-be" states and developing an evidence-based understanding of employee audiences through formative research, data collection, and analysis.

Formative research focuses on awareness of employee characteristics that influence their organizational needs. Employee audiences can be segmented based on organizational roles (e.g., job type, function, level), demographics (e.g., generational differences, location),

psychographics (e.g., values, attitudes, interests, and lifestyles), and even risk profiles (e.g., threshold level of uncertainty or change an individual is prepared to accept). Research can uncover employees' knowledge, beliefs, desires, organizational expectations, communication preferences, influencers, and risk strata.

An agency's formative research approach can include a tailored mix of activities such as literature reviews, analysis of existing measurable, objective data (e.g., FEVS satisfaction levels), focus groups, interviews, and surveys.

Deloitte also offers specialized embedded analytics tools (outlined in the Appendix to this paper) that can enhance the formative research and stakeholder analysis. For example, the As One diagnostic can take the temperature of an organization's leader-and-follower dynamics and collective behavior competency. This information helps leaders identify the main drivers of success and better understand how their employees choose to communicate. It can also help detect potential organizational obstacles so they can take preemptive action to help keep minor issues from turning into major problems. Specialized tools, such as Stakeholder Analysis and the Shared Vision and Goals Alignment diagnostic process, can also inform communications development.

Phase 2: Plan and Design
Develop strategies to reach desired communications outcomes

Research and analysis from Phase 1 drive the crafting of data-driven, adaptable communications strategies and plans that have realistic, measurable objectives customized for the agency. Formative research also allows for the development of audience-specific messaging platforms and the selection of media and channels that have the potential to maximize employee impact. Several important components should come out of the Plan and Design phase:

- **Metrics:** Strategic communications planning helps determine specific metrics to evaluate the effectiveness of the agency's employee engagement efforts, such as the desired number of employee responses received out of a pre-set goal. It also defines the tools for evaluation, which could include Web reports, surveys, and other embedded analytics.
- **Governance framework:** A governance framework includes policies, procedures, and/or guidelines to execute the communications plan. At a minimum, this should identify approval authorities and include procedures for reviewing communications prior to dissemination and establishing two-way communications channels.
- **Communications sponsor(s):** As a leading practice to strengthen execution, agencies should identify and establish a communications champion to sponsor the plan, gain leadership support, help ensure organizational alignment, and hold people accountable for results.
- **Risk assessment:** Finally, during the communications planning process, communications should be considered from a risk management perspective to balance the benefits of transparency with security concerns and other communications risks. Risk assessment takes into account an agency's statutory and regulatory framework and potential stakeholder impacts to design communications strategies that best fit the circumstances. Embedded analytics tools, such as Change Readiness Assessments, can help identify potential impacts and risks that must be addressed to move forward effectively with communications efforts.

Phase 3: Develop and Deliver
Produce communications and activate communications channels

With a clear plan and understanding of risk, the agency can begin developing specific messages and establishing communications platforms to engage with employees about organizational goals, successes, and challenges. Data from earlier phases should continuously inform communications execution:

- Who is the intended audience?
- What specific topics are most effective for that audience?
- How will the message be communicated, particularly to a multigenerational workforce?
- What should the frequency of communications be?

Once the message has been developed, it must be reviewed, approved, and distributed. Additional considerations include:

- Who should deliver the communication?
- How should the communication be delivered?
- How, if at all, will the communication allow for employee feedback, questions, and response?

Recall the large number of emails the average employee receives every day. Considering this barrage of incoming messages, agency leadership should ask whether there may be a more effective way to reach their workforce. Successful solutions for reducing static have been implemented across a variety of Federal agencies, including identifying engaging spokespersons to initiate dialogue and using channels such as town hall meetings, virtual newsletters, video and interactive communications, and/or social media and other collaborative online platforms.

Phase 4: Assess and Revise

Measure outcomes and adjust communications approach where appropriate

In today's environment, where return on investment for communications is important, organizations must monitor metrics to track whether the activities executed achieved the desired outcome. Embedded tools for measuring communications impact, from impact assessments to web analytics, can help leadership assess the success of communications efforts. Data gathered during this phase will inform updates to communication audiences, topics, delivery, vehicles, and timing.

To measure the effectiveness of communications, agency communicators should first refer to the pre-defined metrics and objectives from the Plan and Design phase.

Communications can be measured at regular intervals using these baseline benchmarks to track trends over time. Regular measurement helps gauge the ever-shifting feelings and attitudes within an organization that can help communicators appropriately tailor messages to their audiences. It also provides an early warning of issues that might otherwise have gone undetected until they escalated further. Perhaps most importantly, results from evaluation are referenced to revise and enhance communications plans and update future metrics and targets.

To increase the impact of strategic communications, continual evaluations and data-driven improvements are critical. The Federal environment is always changing; to achieve organizational success, the purpose and strategic objectives of internal communications must evolve as well.

Potential benefits
- Measures the effectiveness of communications and creates a continuous feedback loop to incorporate findings
- Establishes a two-way flow of information to understand employee needs and preferences, better engage stakeholders, apply leading practices, reduce redundancies, help ensure communication effectiveness, and allow for continuous improvement

A case study: Increasing satisfaction with internal communications

Challenge

One component of a large, independent Federal shared services agency recently faced communications-related challenges, including employee dissatisfaction with its communications, lack of knowledge of its own internal capabilities, and lack of a clear organizational brand. The critical point of the decision to change was an internal survey that showed communications was a real organizational shortcoming.

Opportunity

Deloitte was engaged to help the client develop a strategic communications plan that would enable it to increase the effectiveness of its communications, enhance its brand, and increase the strategic communications capabilities of its employees and its office.

The Deloitte Difference

Deloitte engaged client staff in strategic communications improvements using a "teach them how to fish" approach, which allowed for more sustainable improvement. Deloitte held workshops to train staff on the basics of strategic communications, including communications planning, governance, execution, and technology. Deloitte also provided training on how to best leverage communications research and stakeholder feedback and analytics to shape communications strategy.

Deloitte brought value by enabling the client to:
- Increase the effectiveness of its communications
- Raise their profile and enhance its brand
- Increase the effectiveness and efficiency of its employees and its office
- Assist other offices with the implementation of strategic communications plans
- Learn how to use and apply communications tools and work products
- Develop and/or improve professionally and personally by practicing technical communications skills, enhancing its understanding of the organization, and increasing focus on solving customer problems

Conclusion

Data from Federal organizations indicates declining satisfaction with internal agency communications — a trend that will be hard to reverse after several years of low morale and disengagement. Even with recent budget decisions that may signal a shift toward increasing confidence, change and uncertainty that can negatively impact the Federal workforce remain persistent, making strategic employee communications critical.

Many organizations recognize this, and are seeking effective ways to silence the static, improve workforce satisfaction, and increase employee engagement. When implemented appropriately, strategic, mission-aligned, outcome-based communications driven by analytics can serve as a comparatively low-cost, critical tool to increase workforce engagement, improve morale, and increase agency-wide investments in a constrained fiscal environment.
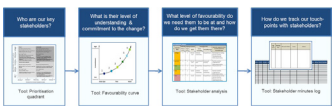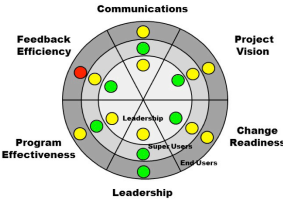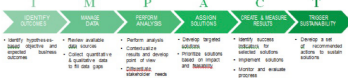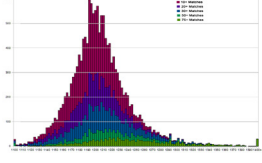
Figure 6: Federal employee communications lessons learned.

Deloitte's lessons learned from Federal communications case studies	
Organizational analytics is important	Analytics focused on stakeholders and organizational data can help agencies understand communications priorities, potential issues, and the source of issues so that they can proactively resolve and identify needs.
"One-size-fits-all" fits no one	A one-size-fits-all approach to communications is likely to be ineffective. Making an impactful connection with employees often requires communicating directly with them, using their preferred channel of communication and providing information in the specific way that resonates with them.
Consistent assessment should be performed to revise strategies and generate new ideas	As data reveal new stakeholder needs, communications opportunities, and/or communications channels, it is important for agencies to examine how they can use this information to improve employee connections.
Sponsors drive accountability	To effectively deliver consistent messages, agencies should identify a communications sponsor who will make sure the organization is aligned, hold people accountable for results, and engage the right people across the organization.

Appendix

Deloitte embedded data analytics tools: Examples

Deloitte offers Federal agencies a variety of embedded data analytic tools that are designed to help enhance audience understanding, inform and refine messages, and improve communications execution. Several examples are below.

Communications development

Stakeholder analysis

Deloitte offers tools to help understand and engage stakeholders who can affect or are affected by an organization's strategic objectives.

Sentiment analysis

sentiment opinion influence geography market trends reputation demographics preference experience

Deloitte offers a means of listening to online conversations to identify emerging issues, trends, opinions, and ideas that impact clients and their brands. Clients can gain a better understanding of the online chatter surrounding their organizations, their brands, their competitors, and major topics of interest.

Shared vision and goals alignment (SVGA)

SVGA is a diagnostic process used to help quantify an organization's readiness and ability to deliver a set of initiatives or program of recommendations. Understanding SVGA findings provides a view into how the organization's makeup influences their ability to change.

Communications risk management

As One

Deloitte offers effective solutions that focus on tested factors to engage leaders and their workforces while promoting strategic management.

Change analytics risk assessment

Deloitte offers tools to identify key organizational changes and examine ways to mitigate impacts to better communicate changes and benefits to stakeholders.

Change readiness assessment

Our change readiness tools help objectively assess employee and organizational readiness for upcoming change through a continuous, structured approach. Monitoring readiness levels early and consistently throughout a transformation is a critical input.

Communications impact measurement

Digital media analytics and monitoring

Deloitte, through the Behavior Change Center of Excellence, offers real-time digital media analytics and monitoring to assess message "behavior" and adjust content and communications channels as needed to improve impact.

Communications impact assessment

Deloitte uses an outcomes-focused Analytics-Driven Change (ADC) approach to derive insights from data trends, correlations, and patterns that help identify the levers affecting successful change. Solutions are directly linked to impacts, metrics, and key performance indicators to produce lasting, sustainable change.

Predictive analytics

Deloitte leverages specialized software and complex algorithms to analyze data and text without the need for any programming. Predictive analytics software allows us to cleanse, shape, and transform source data to optimize output of graphs and statistics, predictive models, interface with other modules, and use Web based reporting.

Contacts

David Dye
Director
Deloitte Consulting LLP
ddye@deloitte.com

PJ Rivera
Manager
Deloitte Consulting LLP
pjrivera@deloitte.com

Stephanie Turner
Senior Consultant
Deloitte Consulting LLP
stepturner@deloitte.com

David Weir
Director
Deloitte Consulting LLP
dweir@deloitte.com

Jonathan Peterson
Manager
Deloitte Consulting LLP
jopeterson@deloitte.com

Jessica Brazier
Senior Consultant
Deloitte Consulting LLP
jebrazier@deloitte.com

www.deloitte.com/federal