

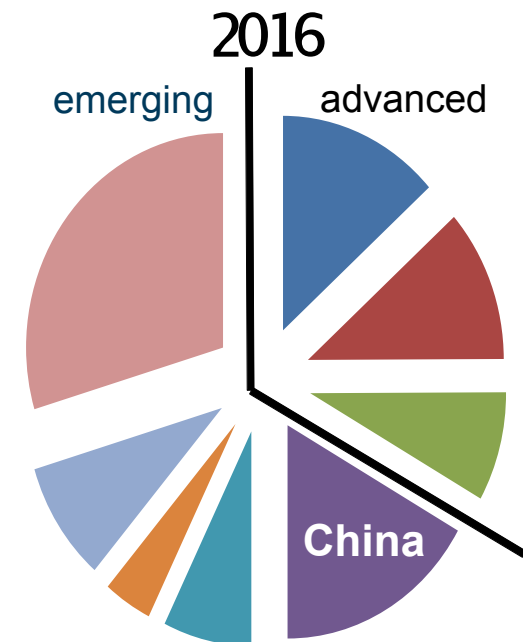
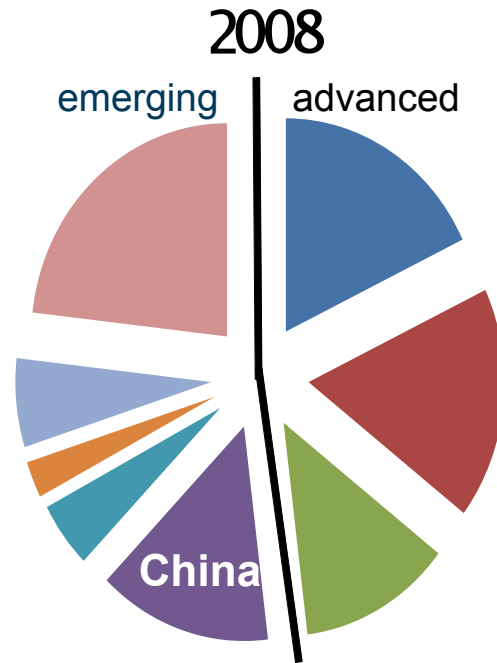
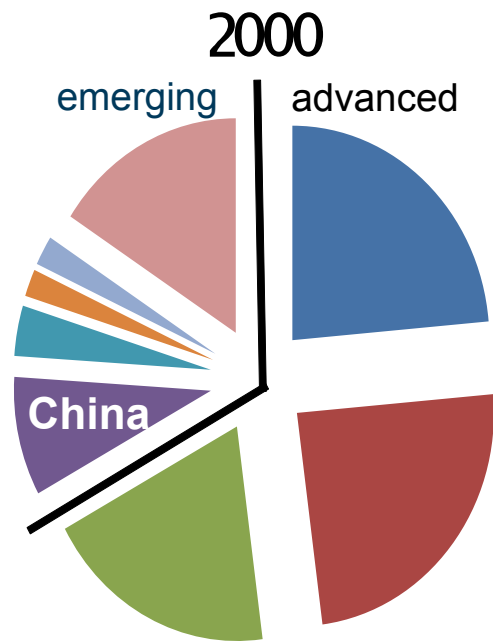
Communication: the Challenge of Alignment

a survey on the vision of leading
Belgian B to B companies on
communication

28 april 2011, Congres Corporate Communication & Social Media



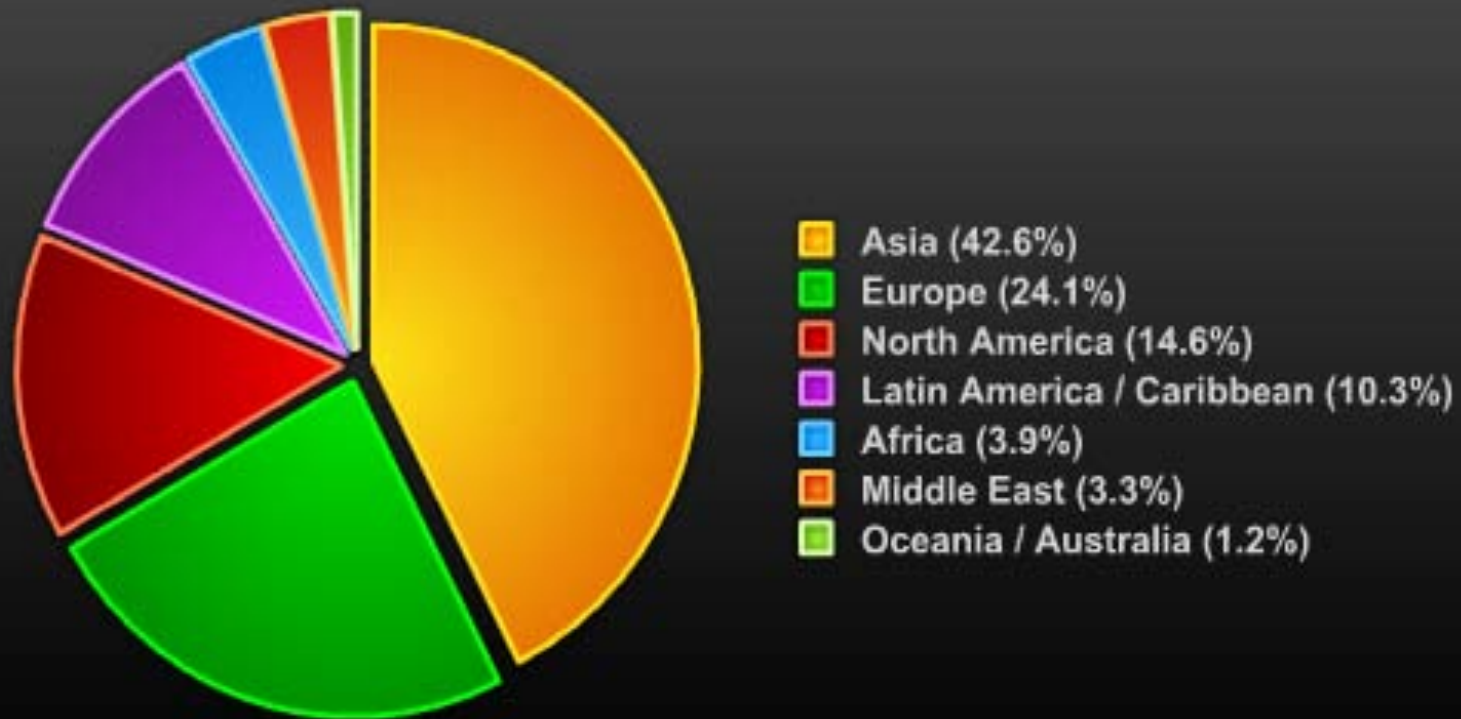
A changing world: share of GDP



■ US ■ EU-15 ■ Other advanced ■ China ■ India ■ Brazil ■ Russia & CIS ■ Other emerging

A changing world: 2 billion internet users

Internet users divided by region, September 2009



Data source: Internet World Stats

www.pingdom.com



A changing world: social media

- Facebook

- 500 million users (+ 43% vs 2009)
- 40% log on through a mobile device
- 30 billion photos uploaded a year
- 46.2 years of video watched a day

- YouTube

- 2 billion views a day (twice ABC, CBS and NBC together)
- 24 hours of video uploaded every minute



A changing world: consequences

- Race for resources (raw materials, people and money)
- Increased volatility
- Cry for transparency (Wikileaks!)

Huge demand for communication in a unforecastable environment

Methodology: Interviews of top managers

- How important is communication for them?
- How are the messages determined?
- Who communicates and how?
- What about digital communication and digital media?

Interviewed managers

- **Jean-Pierre Berghmans**, Lhoist
- **Paul Buysse**, Bekaert & Immobel
- **Rodolphe Collinet**, Carmeuse
- **Herman Daems**, Barco, GIMV & BNP Paribas Fortis
- **Philippe De Backer**, Bain & Company
- **Bert De Graeve**, Bekaert
- **Julien De Wilde**, Agfa-Gevaert & Nyrstar
- **Luc Deflem**, Securex
- **Roch Doliveux**, UCB
- **Pierre Gurdjian**, McKinsey & Company
- **Roger Heijens**, PricewaterhouseCoopers
- **Christ'I Joris**, ETAP
- **Luc Lallemand**, Infrabel
- **Thomas Leysen**, Corelio & Umicore
- **Pierre Mottet**, IBA
- **Yves Noel**, NMC
- **Bruno Segers**, RealDolmen
- **Michèle Sioen**, Sioen
- **Johnny Thys**, Bpost
- **Jean Vandemoortele**, Vandemoortele
- **Martine Veyssière**, Total Petrochemicals
- **Philippe Vlerick**, Vlerick Group



Profile of 26 interviewed companies

- 22 B to B (4 mixed B to B/ B to C)
- 22 Belgian
- 14 listed
- 10 family owned

The Findings: Who should communicate?

- Top management responsibility :
 - CEO has to be in charge
 - Messages are decided at executive committee or board level
- Delegation to:
 - Spokes(wo)men : day to day
 - Investor relations manager or CFO : financial community
- Be careful not to become a media star: “slip of the tongue”

The Findings: Why should you communicate?

- All stakeholders inside and outside the company should understand the vision and strategy
- Listed companies <-> non-listed companies
- Non-listed companies tend to restrict more the list of their stakeholders
“Pour vivre heureux, vivons cachés”

“If you don’t communicate effectively, you risk challenges with things that are not essential”

The Findings: How should you communicate? (1)

- Communication is not a one-way street from the sender to the recipient.
It should be managed like an industrial process
- Deming cycle: plan, do, check, act
- Difficult, underestimated process:
 - Constant in- and outflow of employees
 - Time lag in informing (new) employees
 - Media pressure on country or business line managers
- Internal communication is key:
Company magazines, Intranet, Direct communication, Lunch or breakfast meetings with middle management, DVD's with CEO messages, Showroom, Use of the art collection

The Findings: How should you communicate? (2)

- External communication: be well prepared
- Employees should be trained on (crisis) communication
- The complex world asks for scenarios around a baseline
- Map the impact on the stakeholders
- Incorporate it in your stakeholder communication

- *“Be the Oracle of Delphi”*

- *“Be careful with your tone of voice”*

The Findings: Communication channels

- Traditional tools remain valid :
 - Direct communication
 - Journalists (give and take!)
- Websites become key:
 - 234 million (end 2009)
 - +25% each year
 - Quality differs widely:
 - Informative
 - Clear
 - Dynamic

The Findings: Digital Communication

- Opportunity to be much closer to stakeholders
 - *“SAP allows to do much more in finance than accounting; digital communication allows to do much more than brochures and press releases”*
 - From *“one size fits all”* to *“tailor made”*
- Huge risks:
 - Be aware of what is said about you
 - Be ready to counterattack
- Organisation:
 - Hire a nerd
 - Prepare material (videos, press releases,...)
- Very popular in Bric countries

The Findings: Social Media

- Most companies prohibit the internal use
 - Productivity
 - Vector for malware
 - Gift for corporate spies
- Other view:
 - If used correctly it is a powerful tool to:
 - Solve problems
 - Polish the image
 - Recruit top talent
 - Generate ideas
- Implement a social media policy:
 - Training
 - Mutual respect
 - Sexual harassment
 - Dissemination of information
 - Awareness campaigns
 - Traceability

Conclusions

- World changes rapidly
 - New economic powers
 - Digital revolution
- Communication is top management responsibility
- Communication needs to be coordinated from the top
- Communication needs to be managed like an industrial process
- Work with scenarios
- Digital and social media are a threat and an opportunity
 - Employees have to be trained
 - Permanent web watch is essential

“pour vivre heureux, vivons cachés”
is unsustainable