

## ***CHOOSE YOUR NEWS***

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**DESCRIPTION:** Leveraging financial results communication in a fresh way to meet post-merger objectives

### **NEED/OPPORTUNITY**

As a listed company, Foster's Group is compelled to advise the market of its financial performance. The company had a strong track record of sharing its financial results with its employees following each biannual external announcement. Were employees interested? Yes. More than 70% of its 10,000 employees globally, and 90% in Australia, own shares in the company; this helped to fuel their interest in the financials due to the flow-on impact on the share price. Was this interest being leveraged to meet broader communications objectives? No. Enter Global Internal Communications with a fresh approach to the August 2006 financial results, geared to meet the communication objectives of a post-merger environment.

At this time, Foster's Group had recently completed a year-long integration program to bring wine company Southcorp into the fold. This was the largest acquisition in Foster's 130-year history, creating a world-leading global drinks company. Foster's Group had also recently formalised how the parent company manages its three regional businesses from an Australia-based global centre. In some quarters, there was a risk that this could morph into an "us" versus "them" battle (regional versus global), rather than the one team approach it sought to enable.

Within this context, we recognised the opportunity for the results employee communications to: be presented in a new way that was easier to understand and signalled a "fresh start"; highlight the company's credentials as an innovative "brand builder" now that manufacturing represented a reduced share of activity. We also aimed to give our people the chance to choose their priority information in a simple, controlled way – a stark contrast to the communication cacophony they'd experienced through the restructure programs.

This took shape as the financial results campaign: **CHOOSE YOUR NEWS**.

### **INTENDED AUDIENCE(S)**

#### *Primary*

Our primary audience was office-based employees spread across three regions: Australia, Asia and the Pacific (AAP); Europe, Middle East and Africa (EMEA) and the Americas (approx 4000 people in total). Our audience had signalled they:

- have an appetite for information about the company's strategic direction, ideally with a coordinated approach to regional and global messages to reduce communication traffic. This feedback was gleaned by consulting our communication colleagues in the regions and the regional managing directors. What's more, an independent engagement survey had triggered more than 300 unsolicited comments from

employees who welcomed the stronger focus on communicating Group-wide priorities and initiatives to employees.

- are comfortable with electronic-based communication, particularly the Foster's intranet. This is evidenced by the success of the CEO intranet community as a core communication platform and issue register (43,000 hits per annum) and the 99% positive feedback rating for an intranet-based newsletter.

### *Secondary*

We sought a solution that could be adapted, as needed, to the company's 6,000 production employees (e.g. in breweries, vineyards and distribution centres). These employees do not have email access; manager team briefings and bulletin boards are their key communication feed. Research on the global employee magazine also indicated this audience valued pictorial-based communication. Language was an additional consideration; notably, in the Americas, Spanish is the primary language of 45% of Foster's Group employees.

## **GOALS AND OBJECTIVES**

Our goal was to successfully position our global messages to employees within Foster's full-year financial results communication. Our objectives, set at the planning stage and shared with the executive team, were to present the results day communication in a way that:

- was easy to understand
- provided the right level of detail
- appealed to employees.

These objectives were measured by specific questions in an online survey.

In developing the format and content, we also leveraged the opportunity to:

- marry a regional focus with a global "big picture" context in a way that allows the audience to choose what most interests them
- present a united executive team
- reflect a fresh beginning for the "new" company
- reflect the emphasis our company places on innovation and its credentials as a "brand builder"
- convey positive progress tempered with the reality of further challenges.

Comprehension of these global themes was measured by an open question in the online survey.

## **SOLUTION OVERVIEW**

On 29 August 2006, the primary audience received an email from the CEO inviting them to "CHOOSE THEIR NEWS" by clicking through to a new intranet community for information about Foster's 2006 full-year results.

The link took employees to a bright, clean intranet page that featured flash-animated creative treatment to attract eyeballs to explore each of the nine themes. Employees chose the subjects of interest by clicking on a box that took them to a PDF document or video.

To deliver this solution, we:

- asked employees what they wanted to know, two weeks out from announcement day. We collated their questions into key themes that shaped our content. (For questions outside these themes, we used an established Q&A forum on the intranet so that no question went unanswered.)
- used a format that combined what our primary audience had told us they value - a portal-based, magazine-style communication – and was easily adapted to secondary audience at low cost (made available in Spanish; colour printouts compiled for tearooms and bulletin boards; managers encouraged team leaders (included in the primary audience) to use print version of the materials in their regular team briefings)
- responded to employee feedback (from a variety of sources: engagement survey, previous results communications, anecdotal feedback from regions and executives) to develop communications that: minimised jargon (and provided a “jargon buster” for key financial terms); provided a concise summary of the results as well as a thematic overview from the CEO; showed the leadership team “all on the same page”; connected other global initiatives (e.g. behaviours program) to financial performance; clearly illustrated our innovation credentials.
- worked hand-in-glove with regional communication teams to ensure share of global/regional voice and integrated messaging. We gave the regions the option to elect their preferred media for the regional message, as suited to the local comms “climate”: EMEA and the Americas chose to produce a no-frills “letter from the managing director”; AAP elected to use the format of their regular three-minute video, and we worked with IT to jump the technical hurdles of incorporating this in a global message.
- used research data on our global employee magazine as context when developing “magazine-style” creative treatment for each of the key messages
- prepared a very tight, detailed brief prior to appointing a design agency, to help deliver on time and to budget.

## **IMPLEMENTATION AND CHALLENGES**

### *Budget*

The budget was limited to \$8000 and covered: the build of a flash-enabled design for the intranet; the development of ten documents, one video and an online survey; and funding for the survey prize. To reduce costs, we managed in-house:

- creative concept development and art direction
- intranet programming, including development of the online survey.

### *Timing*

Timing constraints were tight. The intranet build was developed in two days and the accompanying magazine-style documents were produced over five days. Spreads that referenced financial data were drafted and produced one day before the results announcement since market sensitivity of data and compliance regulations did not permit this work to be done earlier. Another challenge was to communicate the results to our employees immediately after regulatory requirements had been met. (In previous years

there had been complaints that the Australian Stock Exchange had the information up to an hour before employees.) This demanded a 15-minute turnaround time to load final documents and videos across multiple IT platforms and required significant collaboration with technical support teams across three regions. Our project running sheet and regular phone hook-ups clearly defined roles and responsibilities to ensure everyone knew what they had to do when.

#### *Executive endorsement*

There was initial resistance from one key executive who felt the move away from purely financial reporting would “dumb down” the results communication and not credit our audience with an ability to interpret complex financial data. The fact that we had invited our employees to tell us what they wanted to know was instrumental in addressing this concern. In addition, the inclusion of a measurement tool as part of the communication gave executives confidence that we could formally report progress against objectives and be accountable. We also leveraged our executive champions, including the CEO, to lend their support for the new approach.

## **MEASUREMENT/EVALUATION**

We measured this project via an online survey packaged with the communication. Some 250 employees, representing a cross-section of the primary audience globally, responded to questions that measured our key objectives. The findings are summarised below, with comments highlighting key themes:

### **Employees found the content easy to understand**

98% agreed/strongly agreed that the content was easy to understand (strongly agreed 55%, agreed 43%)

- *“This is fantastic. Really fun to use and easy to digest. Well done!” (AMERICAS)*
- *“I have worked in a number of Multinational companies and I have never seen results presented in this way before, they made very easy reading and gave a good idea of where the company is heading” (EMEA)*
- *“Fresh, funky” “Excellent summaries” (AAP)*
- *“Innovative” “Short and to the point” (AAP)*
- *“Clear and fun. Had the \$\$ detail some people want also offered other info styles (AAP)*
- *Not filled with acronyms which are confusing – great to see a section [Jargon Buster] dedicated to them” (AAP)*
- *“No jargon, simple. Easy also to navigate - non threatening” (EMEA)*
- *“All presented in language everyone can understand” (Americas)*
- *“...a big improvement on previous reporting” (AAP)*
- *“...clearly pitched to be easily understood by the entire company” (AAP)*

### **Employees were extremely positive about the communication format**

94% agreed/strongly agreed that they liked the way the information was presented (strongly agreed 56%, agreed 38%)

- *“Fantastic – great to see some fun and pizzazz into what can generally be a fairly dry topic and a bit alienating to many employees” (AAP)*
- *“Absolute fantastic presentation – and appreciate the timing too” (AAP)*
- *“Idiot proof – well done” (AAP)*
- *“I like how the leaders presented their information in a snapshot” (AAP)*
- *“It was ALIVE! I loved the upbeat, new look!” (AMERICAS)*
- *“I wish all information was presented this way” (AAP)*
- *“We are finally looking like a ‘with-it’ company” (AMERICAS)*
- *“Presentation was stunning”(EMEA)*
- *It was fun! (AMERICAS)*

### **Employees generally thought the information had the right level of detail**

Of those who indicated an opinion on whether the information had enough detail, 84% agreed/strongly agreed that it did (59% agreed, 25% strongly agreed).

- *“Enough info to explain things well without bogging it down with detail” (AAP)*
- *“I know if I need any more I can get the annual report” (AAP)*
- *“All I needed to know...was covered”(AAP)*
- *“It was kept brief, but informative” (AMERICAS)*
- *“Good to browse all the content in 15 minutes” (EMEA)*
- *“Some links to additional information would be grand” (AMERICAS)*

The survey also asked employees to provide their key “take-out” from the communication: what did they learn? The most common take-outs were on message and supported our objectives:

- **Good result/positive progress** - *“Positive year with double digit EPS, integration proceeding well, focus now on core issues eg improving wine profit margins”*
- **Foster’s Group has a plan/know what we need to focus on** - *“Potential of our business is excellent and our leaders know and understand what’s required to get there”*
- **We did well but there’s more to do/further opportunity** - *“Our numbers were delivered and we’re on track but it’s not over yet and we’re addressing the key problem areas”*
- **Great company/optimism for the future**- *“Positivity! Great to feel that the challenges we are facing are not underestimated but that there is also plenty of great, innovative stuff to look forward to”*

In collating the “take-outs”, we stumbled across a huge win that, embarrassingly, wasn’t covered by our objectives. CHOOSE YOUR NEWS told our employees that the company values them: *“Even being a global organization, you keep ‘the little guys’ up-to-date with key decisions” (AMERICAS); “People are important to this business” (AAP).*