

***Walking the Talk to Sustainable Growth: Blog Blast '06***  
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**The Coca-Cola Co. with Burston-Marsteller and Sagepath Inc.**  
**Africa, Latin America, North America and Asia**

**Need/Opportunity**

The Coca-Cola Co. (TCCC) had been experiencing declining market share and slowed growth in recent years, attributed to declining carbonated soft drink sales, increasing health and wellness trends, a series of leadership changes, and increasing competition in the industry. The company's 2005 "Manifesto for Growth" sought to address these and other concerns by outlining a plan to reinvent itself.

As a part of this new commitment to sustainable growth, TCCC realized it needed to make fundamental changes to its culture and work environment. As seen in a video sent to all employees, company Chairman and CEO Neville Isdell stated, "I want to use these seven values to create a new, better culture for our company. Not a North American culture, not a corporate culture, not an international culture but a Coca-Cola culture."

This global campaign was designed to accelerate the transformation to a high-performance culture by inviting all employees to participate in a dialogue about the company's values: passion, leadership, integrity, accountability, collaboration, quality and innovation. This dialogue would allow the company to better define what the values mean, how employees get things done and the specific behaviors and actions that would drive better business results.

This initiative was shaped by research indicating:

- Companies who leverage their cultures well experience increases in average revenues of 682 percent as opposed to 166 percent for companies with weaker cultures (based on a 10-year time horizon).
- Nonfinancial criteria, such as quality of management, strength of the corporate culture, and quality of products and services are some of the key factors that constitute on average 25 percent of the investors' decision.
- When managers demonstrate company values, company stock appreciates by 1.1 percent.

**Intended Audience**

The intended audience was more than 20,000 company employees worldwide. The 2005 employee insights survey measured factors that contribute to and/or drive engagement. Scores were as follows: (100 percent being the highest score):

- Employee engagement: 74 percent
- Diversity and fairness: 69 percent
- Communication and awareness: 65 percent
- Performance management: 68 percent
- Leadership: 54 percent

By engaging in an open dialogue about TCCC's values at all levels, the company aimed to improve areas of the organization that were cynical or apprehensive of change. Given the global nature of the business, a blog format seemed the natural solution.

**Goals and Objectives**

The primary goal was to help drive short-term and sustainable growth by accelerating the transformation of TCCC's culture and work environment by inspiring employees' passion and commitment to the values. Senior leadership wanted to better define the values of the company, how things got done and how those actions drove business results.

The seven-day blog was just the beginning of a larger initiative, launching in the first quarter and running throughout 2006 (details in the "Solution Overview" section).

- Phase 1: Define (January to April)

- Phase 2: Communicate (May to July)
- Phase 3: Embed (started in June, ongoing)
- Phase 4: Measure (ongoing)

The goals of Phase 1 were to:

- Accelerate the transformation of TCCC’s culture and work environment by inspiring employees’ passion and commitment to the company’s values.
- Re-engage employees in the business strategy and help the organization better understand what it means to live the values and why they are critical to driving business results.
- Engage employees in a collaborative manner to define what it means to live the values; to describe what makes the company unique, competitive and engaging; and how those actions drive business results.

The 2,409 employee posts from more than 45 countries and the 136,862 employee page views demonstrate that Phase 1 goals were successfully met. In fact, more than 30,000 page views were captured in the first day alone. Furthermore, participation rates were higher than two other *Fortune* 100 benchmark companies that hosted similar events. Numbers below were provided in the preliminary results report for the senior leadership members, who hosted a values discussion.

Metric	Passion	Leadership	Integrity	Accountability	Collaboration	Quality	Innovation	Total
Number of Comments	569	421	319	246	287	223	339	2,409
Number of Page Views	33,686	25,911	17,809	15,684	15,344	12,595	15,833	136,862
Total Visits	3,073	3,083	1,888	1,773	1,819	1,418	1,536	14,590

### Solution Overview

#### Phase 1: Define (January to April)

**Target audience:** Employees worldwide

**Objective:** Engage employees worldwide in a collaborative manner to define what makes TCCC unique, competitive and engaging. Ask employees how to make the values “real” and how those actions drive business results.

#### Key Tactics (Neville Isdell, CEO, and executive committee participation):

- Engage executive committee members in the “Walking the Talk to Sustainable Growth” initiative (executive committee meeting 20 and 21 of February).
- Coordinate a high-profile, three-week promotional campaign (concluding with the CEO video message) with the support of employee communication and human resources colleagues worldwide (27 February to 28 March).
- Engage the top 150 global leaders in this initiative at the “Manifesto for Growth” strategic planning meeting (12 to 15 of March).
- Launch “Blog Blast ’06” with executive committee members co-hosting and actively participating throughout the day. Using discussion threads, ask employees to tell a story of how they personally experienced the values in action (29 March to 6 April).
- Share final recommendations for review and approval by the executive committee (5 May).

#### Phase 2: Communicate (May to July)

**Target audience:** Employees worldwide (leveraging people managers)

The objective was to broadly communicate and reinforce the agreed-upon behaviors for each value and the business case behind the behaviors. Employees would be engaged in follow-up discussions and storytelling about how to embed the values into their everyday actions.

**Phase 3: Embed (started in June, ongoing)**

**Target audience:** Employees worldwide (leveraging people managers)

The objective was to model, educate and reinforce the importance of the company's values by building them into key business policies, processes and procedures.

**Phase 4: Measure (ongoing)**

**Target audience:** Employees worldwide

The objective was to measure the effectiveness of the culture-building efforts and their impact on the growth and success of the business.

**Implementation and Challenges**

The team had only four months to fully develop, execute and measure the goals described for Phase 1 (January to April 2006). Additionally, they would not receive final approval from senior leadership on the initiative until the executive committee meeting on 20 and 21 of February 2006. The project budget was US\$455,655; however the most serious challenge was the time constraint.

The team also faced the serious challenge that the use of blogs was a new concept to the organization, and the company culture favored face-to-face interaction. This was further complicated by local cultures that were not used to offering constructive feedback, especially to members of senior management (e.g., Asian cultures). Various solutions were developed to mitigate challenges, including:

- A video from the chairman that acknowledged the cultural differences about providing feedback but reinforced the need for all employees to participate to achieve the company vision of long-term sustainable growth.
- Organized local teams posted "group comments" to the blog, allowing individuals who were uncomfortable submitting their ideas directly to share them within a small group that reported as a "single voice."
- A "Blog Tutorial" video that demonstrated how easy it was to post and view comments.
- A global activation team and comprehensive toolkit that built excitement about the initiative in the business units (Africa, Europe, Latin America, North America, Pacific and Middle East). Promotional items could be customized and translated into local languages.
- A customized blog tool was built by partnering with IT since there was no other in-house technology available.
- Blog events were kicked off at 7 p.m. EST to allow field employees in Asia to be the first to participate (7 a.m. local time in Hong Kong). This responded to a common perception that corporate was insensitive to employees in different time zones.

**Measurement/Evaluation**

An in-depth, qualitative analysis was conducted on all "Blog Blast" entries, revealing 29 distinctive themes and 41 distinctive types of workplace behaviors. An analysis of the distribution of behaviors by value and by business group revealed insights into what employees say each value "should" and "should not look like" at the company.

One of the key measures for this initiative was to inspire employees' passion and commitment to company values. A positive impact can be seen in the employee insights survey results, shared in July 2006, indicating significant improvements in key categories:

- Engagement rose to 79 percent (previously 74 percent).
- Diversity and fairness increased to 77 percent (previously 69 percent).
- Communication and awareness increased to 76 percent (previously 65 percent).
- Performance management increased to 76 percent (previously 68 percent).
- Leadership rose to 64 percent (previously 54 percent).

Following this initiative, the company identified specific behaviors associated with each of the values, and that input is being integrated into processes and programs around the world. Some examples include:

- A new TCCC behavior model, based on the behaviors identified, was created for people managers to complete with their teams.
- A competency for “Living our Values” has been embedded in the performance management process and 360-degree performance reviews.
- A values alignment index tool is coming soon to help rate how well a team lives the values.
- An online guide—“Walk the Talk: A Guide to Improving Culture and Engagement”—was created to help people managers align resources with business priorities.
- In corporate headquarters and North American branches, “Living the Values” was added as criteria for the “Red Tag” rewards and recognition program.
- In African branches, two-way communication is created via “Africa Update,” where associates can write in and pose questions to the president and CEO of the African division.
- In Latin American branches, the senior leadership team created a “Few Good Rules” to ensure alignment with the values and surveyed how well they are living the values.
- In Asian branches, the southeast and west Asia business unit holds monthly, full-day “Advanced Business Orientation” for groups of 10 to 12 associates to meet the division president and function heads.

The company recognizes that much work is still needed; however, this initiative contributed significantly to the vision of driving long-term sustainable growth by accelerating the transformation of the organization’s culture. Ultimately, the company is measured by its stock value, which saw steady increases in business results for the second and third quarters of 2006 (the fourth quarter was still pending at the time of writing).