
Mitigating Risk Through Targeted Communications Requires Understanding Organizational Culture

Corporations are beginning to understand what anthropologists have known for a long time: You can't communicate effectively with a group of people if you don't understand their culture and speak their language. For corporations, an effective communications program is a primary management tool for reducing certain types of risk, such as internal loss due to employee theft, on-the-job accidents and loss due to wasted resources (e.g., energy). However, no communications program designed to reduce risk will yield desired changes in employee behavior unless it is based on a clear understanding of the organization's culture.

What is culture?

Culture may be defined as a set of shared values, attitudes, goals and practices that characterize any group. Within corporations, management often develops and communicates key messaging to employees, believing that this determines the organization's culture. But the desired culture is unlikely to develop through the use of words alone. If management says, "ABC Corporation values the contribution of every individual," but in practice, pays no attention to the input of anyone below the rank of director, then the culture is shaped by what actually happens, and not by what is said. Corporations communicate with their employees all the time (just ask the internal communications department). However, there is a huge difference between communicating *to* employees and communicating *at* them. Messaging that is powerful enough to create organizational change is messaging based on a deep understanding of the group's culture.

How can culture be assessed?

The first task in undertaking a targeted communications program is assessing organizational culture, which requires a mixture of qualitative and quantitative research techniques. Qualitative research includes personal interviews, focus groups and observation – methodologies that garner information about employees' attitudes, beliefs and values. Quantitative techniques include surveys and measurement of the behaviors that lead to change. For instance, launching a safety program requires measuring accident rates, medical costs and lost time taken due to on-the-job accidents and workers' compensation claims.

Because employees cannot always articulate how they think or feel about a particular situation, researchers employ ethnographic research. This involves spending time within the group being researched, observing group and individual behaviors, and asking questions about the implications of these observations.

In addition to understanding the culture, it is equally important to understand the levers that influence the culture: people, leadership, physical and technical infrastructure and policies, and procedures and processes. In some organizations, the actions of a single individual can have a profound impact on the entire culture. In other cases, a safety or loss issue can be traced back to a poor procedure or a cumbersome process.

In a case cited by David McCurdy, a professor of anthropology, a new manager in the warehouse division of an educational publisher tackled a problem reported by customer outlets that shipments of books were routinely arriving short of the number of books ordered. A great deal of finger-pointing and negative talk went on between the customer outlet employees and those who worked in the warehouse. The manager discovered through direct observation and talking to employees (i.e., ethnographic research) that:

- Books were stored loose on warehouse shelves and other employees would sometimes “borrow” them for various work-related purposes, thus leaving the warehouse short of inventory.
- Shipments tended to be very heavy, and the shipper would leave the boxes in the lobbies of very large buildings. Associates had to hand-carry a few books at a time to their offices, leaving the boxes open and unsecured. Passers-by sometimes stole books from the open box.
- Warehouse employees filling orders would “guesstimate” how many books made up the required number instead of counting them, resulting in incorrect counts.

The manager solved the problem by shrink-wrapping the books in lots of five or 10 before they were sent to the warehouse, as well as reducing the size of the shipping boxes. Employees (who did not view their occasional picking up of a book or two as “stealing”) refrained from taking the shrink-wrapped lots of books. Therefore, the exact number of books was always shipped, and the boxes were small enough to be carried directly to the customer outlet offices.¹ Problem solved.

A large national supermarket chain undertook a loss prevention communications campaign to reduce inventory shrinkage in stores. The leading cause of shrinkage in the retail environment is employee theft (47 percent), closely followed by shoplifting (34 percent),² both of which can be substantially affected by store employee behavior. Before embarking on a communications campaign to raise employee awareness about the shrinkage problem, the grocer worked with Creative Options (a Protiviti company) to perform cultural research and assessment.

The research consisted of focus groups in which facilitators worked with small numbers of employees (a combination of division and store-level stakeholders). The focus group format allowed for in-depth exploration of attitudes and perceptions about current and proposed anti-shrinkage programs, and encouraged employees to share their ideas about how to reduce shrinkage. Employees were pleased to be asked for their advice and input.

The research revealed that employees desired fewer and less complicated programs to follow. And store managers felt that some of the programs already in place required too much effort to implement properly. Bottom line: Employees wanted programs that would be simple to understand and execute, and management wanted themes that would engage the store associates, who tended to be young. Management also wanted more training for employees, especially for new associates and the worst performing departments.

After analyzing the focus group research, Creative Options developed a program that branded the Loss Prevention program “Think Shrink!” New training materials to support the program were developed prior to the launch. “Think Shrink!” included bright, action-oriented materials to appeal to the younger associates, and the grocer launched an incentive program to recognize and reward employees who demonstrated a decrease of shrinkage in their areas.

¹*Conformity and Conflict*, 9th ed., “Using Anthropology,” McCurdy, David W., 2000.

²*2004 National Retail Security Survey Final Report*, Hollinger, Richard C., and Langton, Lynn, Security Research Project, Dept. of Criminology, Law & Society, University of Florida, 2005.

How does understanding culture impact communications?

In our technologically enhanced, media-rich world, everyone is overwhelmed by information. It is no longer possible even to use a public restroom without being exposed to advertisements. We are bombarded with commercial messages and information in sports arenas, the supermarket, our cars and at home. People must filter out a large percentage of this information so they can focus on what they believe they need or want to know. However, in the process, valuable or useful information also may be filtered out.

To be successful, the first goal of any communications effort is to get the attention of the audience. And to be effective in gaining attention, the creative imagery and language must resonate with the audience. This creates fertile ground for acceptance and learning.

Targeted awareness programs incorporate knowledge of the employees' environment, using language they understand and themes to which they relate. Because the message is couched in terms employees understand and appreciate by playing on mutually accepted interests and values, it can cut through the informational clutter of everyday life.

In a safety campaign for the Schwan Food Company aimed at increasing driver safety (reducing losses from insurance claims and workers' compensation), Creative Options employed ethnographic research by "shadowing" a driver throughout his day. The researcher sat in the cab with the driver, helped pull product and accompanied the driver to the front door on sales calls. This gave the researcher unparalleled insight into the everyday experiences of the driver, an appreciation of the work pressures and the driver's constant need to multitask. Schwan's drivers are responsible not only for making deliveries but also for conducting sales tasks and vehicle maintenance. Because the driver's compensation is based on sales as well as deliveries, the driver often would complete sales calls when driving, and would eat while on the road to save time.

The results of this fruitful research included a campaign warning drivers not to use their cell phones while driving (Figure 1). Creative Options developed another campaign warning drivers not to mix eating with the handling of toxic automotive fluids (Figure 2).

Ethnographic research and cultural assessment also can be used to ease the introduction of changes to the culture. Dollar General, a discount merchandiser chain, introduced a new device called a Rolltainer to enhance the process of delivering and receiving merchandise at the stores. The truck drivers unload merchandise into the Rolltainer, enabling them to wheel large quantities into the store without lifting. Creative Options spent time with drivers and associates observing how they used the Rolltainers. Three issues were uncovered:

- When associates remove the netting, there is a risk of unsecured merchandise falling out and striking the employee.
- Netting can become caught in the wheels, leading to risk of accident.
- Associates tend to push on the outside bars of the device, heightening the risk of fingers being jammed as the Rolltainer is pushed around corners and down aisles.

These observations were used to create an instructional-based safety awareness campaign for all Dollar General stores with the goal of avoiding losses from insurance claims and workers' compensation that might otherwise have occurred (Figure 3).

Don't and drive.

Distracted driving is one of the leading causes of road accidents.

Your full attention is required when on the road to safely operate your truck and to keep yourself and those around you safe. Avoid distracting activities while driving. Pull off the road at a safe location to use your cell phone, consult your handheld, read a map or eat a meal.

Your
EXIT *to*
safety.

Knowing your way out during an emergency can be the difference between life and death.

- Familiarize yourself with the locations of all emergency exits. Learn your Emergency Evacuation Plan.
- Keep walking paths and exits clear and free from obstruction. Dispose of packing debris promptly and properly.
- Store all combustible materials in approved storage cabinets.
- When the evacuation alarm sounds, exit the building calmly using the nearest safe exit. Meet at the designated gathering point for a headcount.
- Do not leave the designated assembly area. If you're not present for the headcount, there's no way of telling that you got out safely.
- Do not return to the building until the "all clear" signal is given.

SAFE @ SCHWAN'S
HOME SERVICE
OCTOBER 2006

Figure 1 A poster campaign aimed at Schwan Food Company drivers emphasizes the importance of not using cell phones while driving.

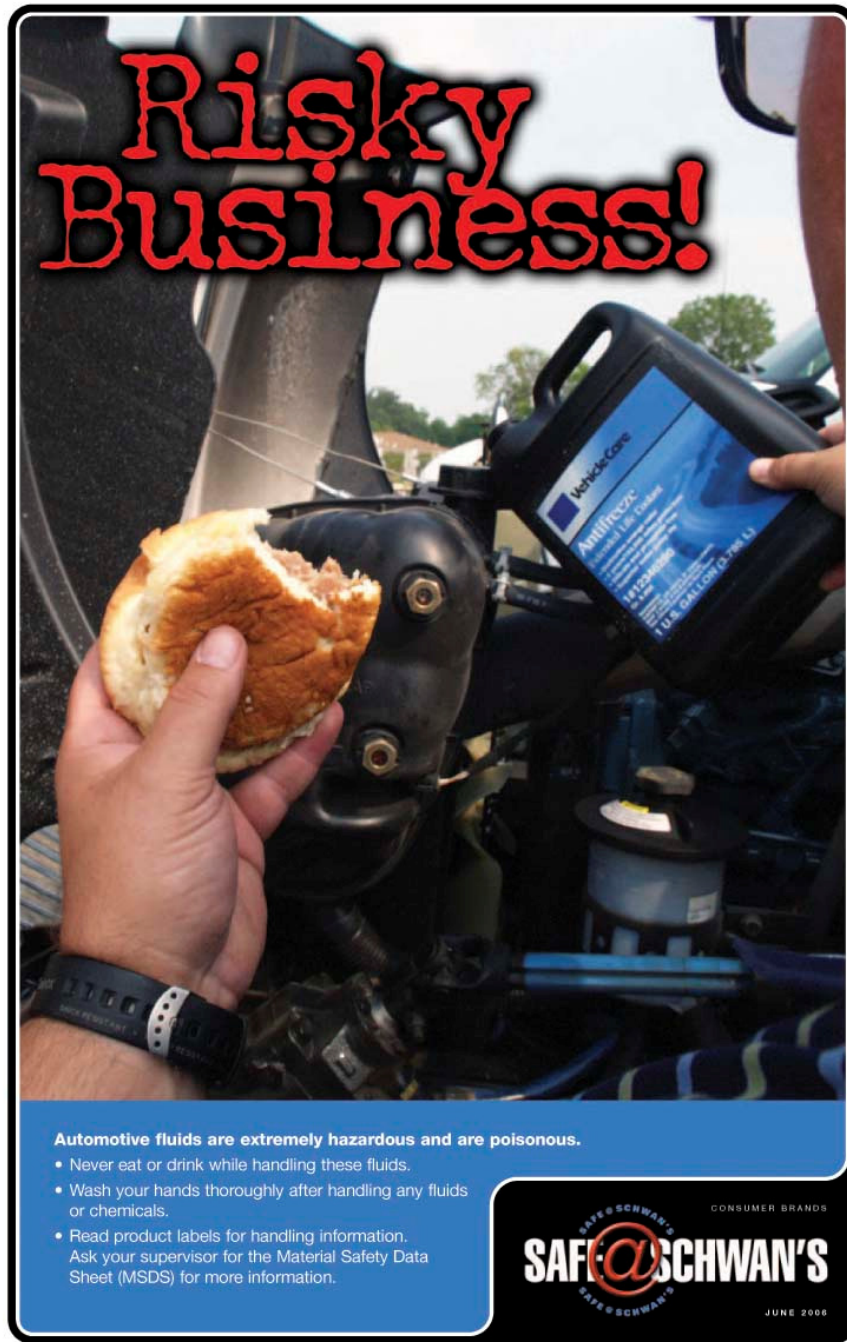


Figure 2 A second safety poster campaign for Schwan educated drivers about the dangers of being exposed to toxic automotive fluids while eating.

Net Work News

Stand to the side, not in front of the net.

Make sure the net doesn't get caught in the wheels.

- Before you remove the net on the Rolltainer, look at the load inside and take note of items that are not secure.
- Remove the net carefully and slowly.
- Stand back slightly so that if items fall out, they will not fall on your feet.

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DOLLAR GENERAL'S
SAFE **TY**
Work Accident Free Campaign **GUIDE**

Figure 3 An instruction-based safety campaign helped Dollar General to avoid losses associated with an innovation in culture.

The creative process for understanding a specific culture

There is no cookie-cutter approach to achieving understanding of a given culture, because every corporate culture is different. The process is part art and part science. In broad terms, it consists of research, analysis, development, implementation and assessment. Also, there is no common solution to common problems. A successful campaign aimed at reducing loss in one organization might fall completely flat in another. There may be messages in common (e.g., “Providing exceptional customer service reduces incidents of shoplifting.”), but many different techniques may be required to effectively communicate and implement those messages in different environments.

Every cultural assessment is unique, just as every retailer’s situation is unique. However, there are three basic stages that make up a “blueprint” for a successful assessment, which is illustrated in Figure 4. Some necessary steps toward achieving a successful cultural assessment are:

1. Understand the problems and issues.
2. Understand what employees believe their role is with regard to these issues.
3. Determine what employees would do differently (pinpointed behaviors), compared to current methods.
4. Determine the best methods for educating employees about the desired behavior(s).
5. Develop the most effective method for associates to receive and be receptive to the information.

Assessment of the program once it is implemented is an essential step as well. What do objective measurements (such as shrinkage reports or accident reports) say about the program’s effectiveness? How do employees view the efforts? What do they think could be done better? Do managers feel that the program is effective and a good use of their time? All of these elements can be used to strengthen and extend the usefulness of a targeted communications program.

Research	Development	Assessment
General Research and Cultural Uniqueness	Campaign Development	Validation, Rollout and Testing
<ul style="list-style-type: none"> • Site tour • Employee and stakeholder surveys • Focus groups • Ethnographic research/participant observation • Audit/KPI analysis • Industry standards for benchmarking and best practices 	<ul style="list-style-type: none"> • Brainstorming sessions to solicit corporate and field input • Creative development • Collaborative proofing and editing • Implementation roadmap 	<ul style="list-style-type: none"> • Proof of concept focus groups • Pilot testing • Retooling • Web portals and IVR measuring participation, compliance and learning • Audit/KPI analysis

Figure 4 Blueprint for a successful cultural assessment.

Conclusion

Change management aimed at reducing risk depends, in part, on being able to effectively communicate the desired changes to employees in ways they understand. One of the hurdles to overcome in undertaking a targeted communications program is gaining the attention of the audience – a considerable challenge in today’s environment.

To be heard, it is essential to speak to the audience in the context of the corporation’s culture. Whether they are conscious of it or not, employees of any organization operate within that organization’s unique culture: their shared values, “language” and perceptions. A thorough understanding of the culture is necessary for any targeted communications program to be effective in driving change.

Understanding culture requires research and analysis. Sometimes, researchers spend time working and observing in the workplace to gather ethnographic (qualitative) data, and sometimes they employ more quantitative tools, such as surveys. And often researchers use both to create a fully rounded portrait of a culture. A true understanding of the environment is necessary to develop a communications program that will resonate within the corporate culture and be effective in driving change in employee behavior.

About Protiviti

Protiviti (www.protiviti.com) is a leading provider of independent risk consulting and internal audit services. We provide consulting and advisory services to help clients identify, assess, measure and manage financial, operational and technology-related risks encountered in their industries, and assist in the implementation of the processes and controls to enable their continued monitoring. We also offer a full spectrum of internal audit services to assist management and directors with their internal audit functions, including full outsourcing, co-sourcing, technology and tool implementation, and quality assessment and readiness reviews.

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About Creative Options

Creative Options (www.creativeop.com), a Protiviti company, is a world-class specialty communications firm. We have built our reputation on designing communication tools that measurably reduce loss. From employee awareness to mobile audits, we are widely recognized for bringing innovative communication solutions to retail.

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