Florida State University

An Analysis of Options: Designing an Internal Communication Program for State Agencies

AN ACTION REPORT SUBMITTED TO THE FACULTY OF THE COLLEGE OF SOCIAL SCIENCE IN CANDIDACY FOR THE DEGREE OF MASTER OF PUBLIC ADMINISTRATION

REUBIN O’D. ASKEW SCHOOL OF PUBLIC ADMINISTRATION AND POLICY

BY

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Tallahassee, Florida
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August 4, 2006

Dr. Jim Zingale, Executive Director
Florida Department of Revenue
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Dear Dr. Zingale:

As the population of Florida continues to grow, so do the demands placed on state employees. A well designed internal communication program can provide numerous benefits to your agency, the least of which is providing a higher quality of service to the citizens you serve. This report outlines the fundamentals of constructing an effective internal communication program regardless of agency culture or size.

In recent years, government has been focusing on improving communications with external constituencies. There are numerous programs in place, at the federal, state, and local level, designed to facilitate communication between the government and the citizenry. Comparable attention needs to be paid to internal communications. When employees are all “working from the same page,” both efficiency and effectiveness increase.

I hope this report will assist you in customizing an internal communication program of your own.

Respectfully,

Nicholas H. Brown
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Tallahassee, FL  32303

CC: Governor Jeb Bush
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Executive Summary

PROBLEM: In the past two decades, government in the United States has focused on improving communications with external constituencies. Performance-based budgeting, benchmarking, and similar techniques are designed to help external groups understand the mission and evaluate the performance of government agencies. Comparable attention needs to be paid to internal communications. Adding to this frustration is the fact that many administrators do not place a high value on a professional communication staff. What these administrators fail to understand is how valuable a skilled communication team can be to an organization.

METHODS: The primary analytical method used in this report was a comparative literature review with some qualitative analysis. The data collected comes from a variety of sources written from different perspectives. Specifically, the information contained in this report was gathered from: academic and scholarly journals, professional literature, informal personal interviews, and the author’s own experiences as a communication professional.

POLICY ALTERNATIVES REVIEWED

The two policy alternatives identified in this report were as follows:

1. **Center of Expertise – Account Executive Hybrid Model** - This policy option is a combination of the center of expertise and the account executive models. In this hybrid model, the communication program would offer a wide variety of services available throughout the agency, with little external assistance required. The program, while housed in one, large central office, would be divided into areas of expertise, or audiences, to better take advantage of staff specialization.

2. **Overarching Committee – Shared Services Hybrid Model** - In this policy option, we see the communication program divided into a number of fairly equal departments. There is no central office coordinating activity. Each communication department is staffed by professionals, and is responsible for an assigned communication function (public affairs, employee communications, etc.). A significant portion of the technical and strategic work normally provided by a large, centralized communication program is contracted out to external vendors as needed.

RECOMMENDATIONS: There is no such thing as a one-size-fits-all communication model. Each agency must assess its own communication needs and design an internal communication program around its own operating environment. This report outlines the steps necessary for an agency manager to construct an internal communication program that is best suited to his unique requirements.
I. Problem Statement

All large organizations face internal communication challenges. Top managers must communicate policies, priorities, and administrative procedures down through the ranks, while administrators at the street-level must bring issues and problems to the attention of upper management. Large organizations also rely on communication processes to develop and maintain a positive organizational culture. (deHaven-Smith, personal communication, June 2006)

In the past two decades, government in the United States has focused on improving communications with external constituencies. Performance-based budgeting, benchmarking, and similar techniques are designed to help external groups understand the mission and evaluate the performance of government agencies. Comparable attention needs to be paid to internal communications (IC). (deHaven-Smith, personal communication, June 2006)

This paper is intended to help government agencies design an internal communication program. According to John Corson, public administrators use and create communications for three primary purposes. The first use is to “convey instruction and policy decisions down the line of authority.” The second use is to “transmit to the [superior] administrator the reports, suggestions, and experiences of employees at each vantage point of the operating experience.” And lastly, the third use is to “create a common understanding of the group purpose.” (Corson, 1944) Corson writes that “in varying degrees and in different forms each administrative organization will use, consciously or unconsciously, some means to accomplish each of these purposes of communication.”
As Corson implied, one of the main problems faced by agency communicators is how to select the best channel for a given message. There are two main categories of communication channels, the official and the unofficial. Whether or not to send a message through an official channel is of great concern to some administrators. Melcher writes, “Where there is broad acceptance that unofficial channels are and must be used extensively, there is still the question of when it would be more effective to use the formal channels and when the informal channels.” (Melcher and Beller, 1967)

A public administrator has a number of options facing him in communicating. “He can follow official channels, proceed in the more nebulous area of using unofficial channels, or combine the two. While using these channels, the administrator may contact others by written media (memos, letters, reports, e-mail, etc.), by voice (either face-to-face, or through other less direct means such as the telephone), or with some combination.” (Melcher and Beller, 1967) The table below demonstrates 16 combinations of using channels and methods.

<table>
<thead>
<tr>
<th>Media</th>
<th>Official</th>
<th>Unofficial</th>
<th>Official, then Unofficial</th>
<th>Unofficial, then Official</th>
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<td>Written</td>
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<td>Verbal</td>
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<td>Written, then verbal</td>
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<tr>
<td>Verbal, then written</td>
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As we have seen, there are a number of reasons why public administrators use and create communications, and there are numerous communication channels available to help them achieve their desired goals. But knowing this information is not enough to create an effective internal communication program. In order to create a program you
need to understand what it should look like and how it will work with the agency to accomplish their objectives.

As no state agency is exactly the same, so too will the internal communication needs differ from one agency to another. However, there are questions we can ask that should allow us to construct an effective, internal communication process regardless of the agency in which the process is housed. This paper will seek to answer the following questions: Where should an internal communication program sit in the agency? What skills and competencies should team members possess? How does an internal communication program set a strategy? And lastly, how should an internal communication program be structured? (How to Structure Internal Communication, 2005)

II. Background and Literature

One of the main problems faced by communicators today is that many administrators do not place a high value on a professional communication staff. What these administrators fail to understand is how valuable a skilled communication team can be to an organization. A review of academic literature, professional journals, and government reports offers numerous examples and case studies demonstrating how organizations have increased productivity and cut costs by communicating effectively. The savvy communicator can use these examples to justify the additional expenditures that may be necessary to either create or reform their own internal communication program.
“Washington Mutual needed to develop a new communication structure. They had experienced 33 mergers and acquisitions during the 1980s and grew from 7000 employees to 53,000 in six years. They had a communication crisis – many decentralized communication teams ‘doing their own thing.’” While Washington Mutual had been experiencing a major corporate expansion, their internal communication program had been left in the dust. “They lacked an enterprise-wide communication strategy. A communication audit revealed 200 different people with communication responsibilities throughout the organization, between 50 different departments and business units, and 113 full-time communication staff.” (Florida Department of Revenue, 2006)

In order to align their communication processes, Washington Mutual initiated several new programs. As the corporate culture at Washington Mutual has always been collaborative, they believed these new programs could work together “to address the problems of duplication and inefficiency.” (Florida Department of Revenue, 2006) A collaborative corporate culture can help facilitate quality communication in any agency. For example, when one employee asks another for information, he is “making a partial admission of the intellectual superiority” of his colleague. It can be difficult for some people to admit their shortcomings, so rather than asking a co-worker, they will use “less efficient information channels.” (Dewhirst, 1971) A collaborative, congenial work environment can help ease these fears and encourage the free exchange of information. The programs Washington Mutual launched included:

1. “An ‘internal communication council’ designed to tie together the key communication principles throughout the organization.” The design of the council
also included a process for integrated communication planning. The “strategic communication council” is comprised of all account manager supervisors and the centers of strategic expertise and is a part of the larger internal communication council. The strategic communication council is chaired by the executive vice president of strategic communications and marketing, and is responsible for setting the annual communication strategy. (Florida Department of Revenue, 2006)

Councils and Strategies

- The strategic communication council leads the development of the overall communication plan and objectives, ensuring they align with the annual corporate strategy.
- Communication business partners, in cooperation with their business owners, develop specific communication plans that align with both the corporate internal communication strategy and the specific strategy of the business owner.
- “Strategy is set by a partnership between the business owners, centers of strategic expertise, and the communication business partners. Because of the potential for role confusion, duplication, and conflict, senior communicators throughout the organization developed ‘process maps’ that outline their processes and roles.”

2. Account managers (“communication business partners”) are located in each of the bank’s eight business units. The size and work of the unit determines how many communication business partners are stationed in each unit, with the number usually varying between one and six. The communication business partner manager reports to the executive vice president of strategic communication and marketing. (Florida Department of Revenue, 2006)

Benefits:

- “Dedicated ongoing relationships within the business units”
- “Better communication service for leaders”
- Tailored delivery of communication
• “Access to higher-level decision making”
• “Higher standard of business focus from the main communications team”

Issues and challenges:

• Because of the close contact with the business unit managers, some account managers can become overly loyal. They become “order takers” rather than advisors.
• The account manager’s focus could become too “fixed” on the business unit, and not the needs, or communication objectives, of the overall organization.

3. Centers of strategic expertise – “shared services centers that include communication expertise. Communication business partners tap into these pools for resources.” Each center’s manager reports to the executive vice president of strategic communication and marketing. (Florida Department of Revenue, 2006)

Internal Communication Functions

• Planning and analysis
• Meetings and events
• Communication management and deployment

External Communication Functions

• Strategic public relations
• Corporate public relations
• Financial public relations

4. Communication Planning and Analytics team. This team serves as a center of advice and instruction for research methods (surveys, questionnaires, etc.). This group reports to the corporate VP of communications. The Research Council includes people from throughout the company who work in the field of research. “The head of the communication planning and analytics team also sits on this council. They work together to pool their resources and oversee efforts relating to research.” (Florida Department of Revenue, 2006)
5. Traffic manager. Washington Mutual employed over 200 communicators scattered across the country. These communicators lacked any central coordination, and the information employees received varied by location. To help solve this problem, Washington Mutual created a “traffic manager” who acts as a “central conduit for communication.” The traffic manager assists the flow of communications by serving as a “high level facilitator.” “When the communication function is looking at big-picture strategies and initiatives, the traffic manager works with the leaders of the communication business partners and the centers of technical expertise to coordinate decision making and prioritize key messages.” (Florida Department of Revenue, 2006)

The traffic manager is responsible for coordinating daily which communications are “going out, when, to whom, and via what channel.” The traffic manager is also responsible for evenly distributing the work load, “and that the resources in the centers for technical expertise are adequate to meet the needs of the communication business partners and their clients.” (Florida Department of Revenue, 2006)

Realized benefits:

- Created a centralized pool of talent
- Removed excessive waste and duplication
- Improved relations with suppliers
- Created a structure that “helps to mediate message content and timing”
- Established a peer knowledge-sharing group that helps provide consistency
- Able to reduce the number of full-time communication employees from 95 to 86, saved over five million dollars from the reorganization
The chief corporate communications officer at RBC Financial recently asked his internal communication team some tough questions. He wanted to know what value they were adding to the organization, and why the process shouldn’t be outsourced to an external business. The team replied that they understood the nature of their business better than any external organization, and as such, could provide better service. To further increase the quality of service they were providing, and to increase their own visibility, the team decided to move to a model that allowed greater contact and consultation with the business leaders. (Florida Department of Revenue, 2006)

Structure: RBC Financial’s communication structure is similar to that of Washington Mutual’s. “The senior vice president of corporate communications reports to senior executive vice president of public affairs, strategy, and human resources. There are six ‘account management’ groups and five ‘centers of expertise.’ The centers of expertise are located mostly in the company’s corporate center in Toronto. There is also a senior advisor of ‘functions,’ who provides support to the major office functions (legal, finance, audit, etc.).” (Florida Department of Revenue, 2006)

The account managers are responsible for developing the strategic communication plans for the individual business units. The account managers are housed within their designated business units, “and operate as chief communications advisors to the senior officers in the business units.” They are to assist the business units by serving as general communications strategists. In many ways, the account manager functions as a regular business leader – “they assess business needs, identify gaps, conduct analysis, prepare for crises, and develop integrated strategies.” (Florida Department of Revenue, 2006)
1. **Strategic account managers** reside in each of the five lines of business, work in “close contact” with their business unit leader, and manage stakeholder communication strategies. For assistance and the implementation of these plans, they go to one of the five centers of shared expertise. (Florida Department of Revenue, 2006)

2. **Centers of expertise** – “the organization's central repository of technical communication skill, experience counsel, and implementation capability.” There are five centers of expertise, each with its own responsibilities: (Florida Department of Revenue, 2006)
   - Employee communication
   - Organizational change communication
   - Media/public relations
   - Event management
   - Corporate social responsibility

3. **Organizational Change Communication** – Organizational change can be intimidating and often creates anxiety for employees. To combat this, RBC Financial created a new center of technical expertise sitting under corporate communications. The new center of organizational change communication consists of three communication officers “who tackle ongoing organization change projects from multiple angles. They work with all stakeholders affected by the change (employees tend to be the biggest audience). Work only on major projects that require extensive, lengthy, and dedicated work. Help defuse disengagement and anger from audiences that could be affected.” (Florida Department of Revenue, 2006)

Competencies for communicators at RBC Financial (in order of importance):
- Impact and influence
- Customer service orientation
- Conceptual thinking
- Flexibility
- Initiative
- Teamwork and cooperation
- Relationship building
- Analytical thinking
- Organizational awareness
- Directiveness
- Developing others
- Team leadership

*RBC’s Communication Structure*, adopted from (Florida Department of Revenue, 2006)

**Weekly meeting**: The chief corporate communications officer has weekly meetings with the senior communication management team (heads of centers of expertise and chief account managers). During these weekly meetings they review what is
happening in the business and develop the annual communication strategy, which is constructed out of the annual corporate goals and objectives. “Account managers take this master plan and incorporate business unit strategies into it.” (Florida Department of Revenue, 2006)

Performance survey: The communication account managers are “graded” by the business unit leaders they serve. This survey helps the account managers improve in areas where they may be lacking. (Florida Department of Revenue, 2006)

Bank of America

The Bank of America “is the largest consumer bank in the U.S.” Historically, Bank of America has had multiple communication departments housed in different parts of the company, “with little coordination, and a profusion of noise and clutter (referred to as a ‘message-generation arms race’).” To better align their communication services, they created a group called “Associate Communication.” This group, consisting of 75 professionals from across the company, “provides communication planning, project management, measurement, writing, editing, design, and production management for a wide array of internal communication projects.” (Florida Department of Revenue, 2006)

The Associate Communication group, together with the Leadership Development group, worked jointly to benchmark, research, and brainstorm a “communication competency model” for the new position of communication project manager. The communication project managers work closely with internal clients “to set communication strategies and oversee project deliverables.” This position requires key competencies in five areas: (Florida Department of Revenue, 2006)
1. **Business knowledge** – this is crucial in understanding the “company’s culture (operating environment), and business objectives of key client groups.” This competency includes the ability to link “organizational initiatives to the marketplace” and “assess the potential impact of the market on the business.”

2. **Communication planning** – the ability to provide an honest assessment of the issues and offer clear and meaningful recommendations. This also includes aligning resources with business priorities and testing client assumptions, developing communications that are rooted in the employee’s perspective and “tailored to their levels of interest and understanding,” and “pre-test and post-test effectiveness of communications and desired behavior change.”

3. **Change management** – the ability to judge how change impacts various audiences, and how to analyze the audience’s attitudes and needs. Must be able to “gather input from those responsible for implementing change,” and communicate the purpose of the change, the picture of the future, and the plan to get there.

4. **Research, writing, and editing** – this includes basic communication technical skills such as leading interviews, conducting focus groups, and producing questionnaires.

5. **Project management** – managing projects, negotiating.

“Bank of America developed an interview guide to measure these competencies in potential candidates. They also use a leadership model that specifies desired behaviors promoting teamwork, listening non-defensively, learning from mistakes, etc. These behaviors support their core values.” (Florida Department of Revenue, 2006)
Now that we’ve seen how effective communication can boost productivity and cut costs, we need to start looking at how we can align our own internal communication program with an agency. In considering the design of our program, there are four major communication challenges in the public sector that we should remember: (Pounsford and Meara, 2004)

- Connecting with employees while under a typically negative media spotlight.
- Conveying attention-grabbing communications about policies rather than physical products.
- Articulating how numerous agency programs fit together “when departmental organizations are often the product of political rather than commercial logic.”
- Getting control of messaging and employee feedback “to provide a coherent picture to leadership.”

In addition to these challenges, there were several questions outlined in the problem statement that, if properly considered, will help us design an effective, internal communication program. Let us begin with the first question, where does internal communication sit?

**Where internal communication sits**

Over its lifetime as a profession, a wide range of various departments have been responsible for housing internal communications. To this day the debate about where is the best home for a strategic internal communications program continues unabated. From earlier attempts to build “marketing communication” functions in the 1980s, to the 1990s trend for it be incorporated into human resources, there has been no best fit. “However, it appears that the argument has reached something of a common-sense climax.” (How to
Contrary to popular belief, the size of an organization has little affect on where an IC program is located. Research has shown that agency size is not an accurate predictor of the frequency of agency communication. (Bacharach and Aiken, 1977)

After interviewing global IC practitioners, it was found that the widely-held preference within the profession for the “best” home for a strategic IC program “is a single integrated department covering both internal and external communication.” By having all of your communication functions housed in one department, “you can increase leverage and consistency between external and internal messages.” (How to Structure Internal Communication, 2005)

A survey conducted by Melcrum Publishing suggests that this preference is largely realized. Of those who say their responsibilities are “predominantly internal communication,” the largest portion, 38%, operate within a dedicated communication function. “It’s also encouraging to note that a small but significant portion of internal communicators sit within the office of the CEO (6%). This implies a growing degree of investment in employee communication.” (How to Structure Internal Communication, 2005)

**Skills and Competencies**

It is said good talent is hard to come by. “But, to move internal communication to a new level and exert true influence on the business, you need to have the right people, with the right abilities, in place on your team.” (How to Structure Internal Communication, 2005) High performing communicators are able to match communication media to the communication task. Generally, these communicators
prefer to convey ambiguous information via face-to-face channels, and routine information via written communication. (Salmon and Joiner, 2005) In order to develop the essential communication skills needed for an IC team, we can examine how other world-wide organizations cultivate these skills.

**Westpac Banking: Getting the most from your team**

Lorraine Lennon, head of internal communications at Westpac Banking, initiated a number of programs for her communications team that could be used by other organizations for building communication competencies. (How to Structure Internal Communication, 2005)

- **Practice Groups**: Practice groups are knowledge-sharing teams in the communication program that discuss the “best practices” of communication issues. These issues range from research design to change management to newsletter production.

- **Skills maps**: While every team member is expected to be able to deliver “end-to-end” communication services, skills mapping highlights individual talents. “It allows us to really leverage out internal skills,” Lennon states. “We all know who’s the best to go to for help with design, for example, or PowerPoint or copywriting.”

- **Knowledge-sharing**: One of the key performance requirements used in employee evaluations is to share a piece of knowledge with the team twice a year. It doesn’t have to be anything complicated; it can simply be sharing feedback from a conference or sending the group the URL of a helpful Web site.
• **Operating guidelines**: Lennon created an operating manual for her team. The manual not only outlined group objectives, but provided useful tools for group members. This ensures consistency in procedures and saves time by not having to “reinvent the wheel” each time a new project is started.

• **“Greater Good” awards**: a monthly award is given to those who have demonstrated the team’s core values. “They are presented with a specially customized cheese ‘greater.’”

**General Motors: Five processes for plant communicators**

General Motors (GM) recently performed an overhaul of its internal communications infrastructure. As part of this overhaul, GM created a new communication role: “the Business Communication Integrator (BCI).” BCIs are currently placed in every North American manufacturing facility owned by GM, and this trend is increasingly spreading to the rest of their plants across the world. (How to Structure Internal Communication, 2005)

BCIs are charged with being the “voice of strategic counsel and central communication at a plant level.” BCIs work with local leaders to improve the “systems and messaging” at the local level. BCIs encourage plant managers to have a greater role in local communication; they provide the coaching necessary for plant managers to perform well in this role, and they help build better relationships with local employees. (How to Structure Internal Communication, 2005) Particularly, GM’s focus on coaching to increase performance is consistent with current research. “Coaching gets people to a level of performance that isn’t possible if they’re left to their own devices.” Coaching can also give managers “communication tools and techniques that can help solve business
problems, like managing change or working better across functions.” (Who Should Communicators be Coaching in the Organization, 2006)

The BCIs are expected to perform at the highest level, and are held to a meticulous performance plan. Their performance plan is “centered around ‘five common processes’ developed as part of their role,” and they are “expected to perform these activities on a regular basis in their plant duties.” GM hopes that by instituting these five core communication activities, there will be consistency in communication across all GM owned plants. These activities can be borrowed by other organizations for their own communication needs. They include: (How to Structure Internal Communication, 2005)

1. **Business Updates** – One of the BCI’s primary responsibilities is to interpret the major quarterly business messages coming from corporate headquarters. The BCIs analyze the key business concerns for the quarter, “develop a set of core, localized messages,” with the assistance of local management, that matches these messages to local objectives, and assist in delivering the messages to all plant employees.

2. **Newsletters** – As the primary method of delivering news at the local level, “establishing and building newsletter channels plays a key part of the BCI’s role.” Although the newsletters are geared towards plant issues, their primary objective is to build “a greater understanding of the competitive realities of the business.”

3. **Diagonal slice meetings** – The BCI organizes and facilitates monthly face-to-face meetings “among representatives from a diagonal slice through the whole plant hierarchy.” These meetings include employees, front-line managers, plant
managers, and union representatives – each representing different levels, shifts, and roles.

4. **Supervisor support** – At the heart of GM’s internal communications improvement process is a “renewed determination to focus on improved two-way communication between leaders and employees.” To achieve this goal, the BCI is required to meet regularly with team supervisors. During these meetings, the BCI coaches individual leaders on “behavioral, cultural, and role-modeling elements of leadership communication.”

5. **Feedback** – The last part of the BCI’s duty is to collect employee feedback and deliver them back up the organization once a month. These reports are then compiled “and key themes across facilities or regions are identified.”

**Strategies and Plans**

How an internal communications strategy is set and managed will depend largely on the corporate culture of the individual workplace. Decentralized agencies often prove to be more problematic than their centralized counterparts, but regardless of the agency’s structure, there are several key points that hold true across the spectrum. The first of these points is that getting your internal communications team synchronized is crucial in avoiding the “mosaic effect” of global communication. (How to Structure Internal Communication, 2005)

The mosaic effect of global communication is the result of employees trying to piece together “patchwork” information from various communicators across an organization. Developing a communication strategy to prevent this effect, among numerous other issues, is the highest priority for internal communicators. It is a well-
known fact that communications are the most effective when the various messages “work synergistically.” (How to Structure Internal Communication, 2005) An organization that has a communication team with a strategy that promotes the facilitation and transmission of ideas can be likened to that of a modern factory in which electricity carries power to all points simultaneously. Conversely, an organization with a poor communication strategy is likened to that of an “old water-driven factory where power was transmitted from cog to cog to cog.” (Corson, 1944)

A strategic internal communication strategy should play a large part in the setting of business goals; “it does not just act on the goals with aligned messaging.” Agencies are looking now, more than ever before, to internal communication processes to help manage “real business challenges.” These challenges include: market strategy, quality improvement, supply chain integration, and corporate governance. The internal communication program that focuses on these issues is likely to be incorporated into the executive decision making process and receive much needed resources. (How to Structure Internal Communication, 2005) The importance of having a strategically-aligned communication process cannot be overstated. “Communication is among the top five factors cited by financial analysts as being the most critical non-financial element affecting their recommendation of a listed company.” (Bad Communication Harms the Bottom Line, 2006)

Many managers will tell you that both business and strategy rapidly change. In order to engage employees so that the agency is able to achieve its new objectives, a well designed communication framework is essential. This framework will help ensure that: (Wadman, 2006)
• The leadership team develops a clear set of messages which they use consistently with all employees.

• Agency management demonstrates clear leadership, particularly through a variety of face-to-face meetings.

• Communications are relevant to all target audiences, messages should be tied to local issues and channels.

As mentioned earlier, the corporate culture of an agency will largely determine how the communication strategy is set and managed. Despite differences in agencies, every well-designed communication strategy will have similar objectives. The manner in which each strategy attempts to achieve its objectives will differ, but the goals are the same. Below you will find a brief summary of objectives that any strategic communication plan should address. A strategic communication plan: (How to Structure Internal Communication, 2005)

• Protects, enhances, preserves, and promotes the agency “brand.”

• Ensures strategies align with management goals and supports the direction the agency is heading.

• Bridges the gap between the agency’s long-term vision and the current situation by creating strategies the audiences can understand.

• Provides the agency customer-focused coaching and consulting.

• Monitors clients and works with the agency to ensure they are meeting the needs of the audience.

• Supports a “shared responsibility” for achieving results.
The Structure of Teams

In order to thrive and prosper, agencies “must be able to cope with work related uncertainty.” In order to manage internal and external sources of uncertainty, agencies must be able to gather information from the external environment, process this information within the agency, and then transmit this information back into the environment. (Tushman, 1979) To facilitate this process of absorbing and transmitting information, an agency needs to carefully consider how it structures its internal communication team.

Alaric Mostyn is an independent communication consultant. His clients often ask, “What is the best way to structure our internal communication program?” Mr. Mostyn replies “There isn’t one. People find it hard to accept that, actually, there isn’t ‘a’ right or wrong way but rather a whole range of models that can all be successful or unsuccessful, depending on a host of other factors,” he explains. Mostyn goes on to say, “There are common good processes, practices, and characteristics of communication functions, but few of the actual structure itself.” (How to Structure Internal Communication, 2005)

While that information may be helpful, the question of how we should organize our communication process still remains. Mostyn believes the best communication structure is the one that most closely matches that of the organization. “If you want to be aligned to the business drivers, to be a strategic adviser to leadership, and to develop ongoing plans that help the business meet its goals, then you have to be where the action is,” he says. “The only way to do that efficiently is to make sure your structure matches with the organization’s so that, at every point, there is a communication professional
being the shadow of a given business leader.” (How to Structure Internal Communication, 2005)

How the communication manager views his role will also affect how the internal communication program is structured. Communication heads who see their role as management have a tendency to “work with what they’ve got, at the most making small changes around the edges.” Conversely, communication heads who see their main role as leadership feel they have a duty to transform: “to reorganize the structure, to re-engineer processes, to re-engage and re-energize communication staff, and to reposition the function within the organization.” (Frappier and Likely, 2005)

There are ten commonly used communication structures, ranging from the highly centralized to the highly decentralized. It is up to the communication manager to determine which structure best matches that of the organization. Recently, the trend in internal communications is for teams “to become less hierarchical, more decentralized, and more team-oriented.” The top ten structures, from centralized to decentralized, include: (How to Structure Internal Communication, 2005)

1. **Service Center Model** – A traditional model that has one central department acting as production unit or technical service center. It is usually structured by technique (writing/editing, audio-visual, etc.) or audience. Very little focus on strategic communication planning, issues management, or employee relations. All services are provided free to other departments. All of the work is done in-house.

2. **Center of Expertise Model** – Features one central department but offers a whole range of both strategic and technical services to the agency. The department is
organized by communication technique, management process, or audience. It creates a yearly communication plan for other departments, but is open to requests. May outsource some large-scale campaigns.

3. **Account Executive Model** - Also features one central department but realizes there are different needs, demands, and centers of power across an agency. Each power center is treated as an individual client with each client having a dedicated account executive (AE). The communication department is structured by client and geographic region. The client and the department each control separate budgets; the department is responsible for the AE’s salary, while the client pays for material costs. Most work is still performed in-house with little outsourcing.

4. **Cost Center Model** – A transitional model. The communication department starts to lose control of agency dollars. All costs are charged back to the client department, including the hourly wage of staff working on the requested communication product. Internal clients are allowed to outsource. Most technical and production services are provided by external companies, while the strategic services remain in-house.

5. **Profit Center Model** – Very similar to the cost center model but with one main difference - the communication department must make a profit. The department is not restricted to the housing agency but is allowed to compete in the marketplace as well.

6. **Independent Department Model** – This model doesn’t contain one large, central department. Instead, it is comprised of a number of relatively equal departments. There could be a department for each primary communication role, such as public
relations, employee relations, or marketing communications. The departments
can be stand-alone or under some larger function. Each department has its own
budget and professional staff. The majority of the technical work, and some
strategic work, is outsourced.

7. **Overarching Committee Model** – Similar to the independent department model.
The key difference in the models is that the overarching committee model features
a cross-agency committee formed to coordinate communication planning and
messaging. This helps to ensure consistency.

8. **Shared Services Model** – Made popular as a way for decentralized agencies to
reduce overhead. The shared services model is also very similar to the
independent department model, but the different communication departments pool
their resources to pay for common expenses. Services such as accounting and
invoicing, media analysis, and professional development are all housed under one
shared service center.

9. **Insourcing Model** – Shares many similarities with the three previous models. In
this particular model, one communication department assumes responsibility for
communication management processes like research and evaluation, or for some
other shared activity. A single communication department could also be
responsible for a major communication project that encompasses the entire
agency, crossing all departmental boundaries. The various communication
departments pool their resources to fund the responsible department.
10. **Outsourcing Model** – All communication functions, or a major subfunction, are outsourced to an external organization. The external organization is responsible for all facets of the outsourced function’s management and performance.

### III. Research Methodology and Contextual Considerations

**Methodology**

The primary analytical method used in this report was a comparative literature review with some qualitative analysis. The data collected comes from a variety of sources written from different perspectives. Specifically, the information contained in this report was gathered from:

- Academic and scholarly journals
- Professional literature
- Informal, personal interviews
- The author’s own experiences as a communication professional

A review of the professional literature yielded the most valuable information. Most of the academic literature pertaining to government communications was quite dated. The informal interviews I conducted with my colleagues, as well as my own communication experiences, helped me better understand, conceptualize, and present the material.

**Contextual Considerations**

There are three contextual considerations we should remember in the evaluation of the policy recommendations: degree of centralization, administrative feasibility, and staff capabilities. These considerations will assist an agency in selecting which communication model is best fitted to its needs and business culture. The policy
recommendations will be given a rank of low (1), medium (2), or high (3) for each consideration. A low rank indicates that the policy recommendation did not exhibit many qualities of the given consideration, whereas a high rank indicates that it did.

- **Degree of centralization** – implies how centralized or decentralized the recommended communication model is within an agency. There is no “generic” correct degree of centralization; the culture of the agency housing the communication program should help determine which policy recommendation is chosen.

- **Administrative costs** – measures the fiscal burden a policy recommendation places on an agency. Assesses staff requirements, salary, facilities, and other costs related to the implementation and execution of the recommended policy.

- **Staff capability** – alludes to the number of communication functions an agency can produce with its own internal communications program without external assistance. These functions might include: strategic communications, employee relations, form production, writing and editing, PowerPoint presentations, speech writing, executive communications, and others.

There were two primary limitations to this report. The first limitation was the lack of academic literature with respect to internal communications in government. Most of the literature regarding internal communication was related directly to business, and most of that literature was related to public relation issues. The second limitation was that there is no “best” communication model to highlight. The industry trend in communications has been toward decentralization, but a communication program must be “custom fitted” to the parent agency’s culture in order for it to be successful.
IV. Policy Options

Two policy options will be presented and evaluated based upon the contextual considerations listed above. The policy options will outline communication models that a state agency could adopt to create, or reform, its own internal communications program. Again, there is no right or wrong communication model. Each model has its advantages and disadvantages. It is up to the individual agency to decide which option best meets its needs and culture.

Option One: Center of Expertise – Account Executive Hybrid Model

This policy option is a combination of the center of expertise and the account executive models. In this hybrid model, the communication program would offer a wide variety of services available throughout the agency, with little external assistance required. The program, while housed in one, large central office, would be divided into areas of expertise, or audience, to better take advantage of staff specialization. (How to Structure Internal Communication, 2005)

For example, the communication department might be aligned around certain skill sets, such as writing and editing, form production, audio-visual, special events, etc. The communication department might also be aligned around particular divisions within an agency. The Florida Department of Revenue has three major business programs: Child Support Enforcement, General Tax Administration, and Property Tax Administration. Each of the business programs has a dedicated communications team, located within the greater communication program, which is solely responsible for the communication functions of that business program.
Like similar models, this communication program works with other business units within the agency to create a master calendar of communication services. In addition, this hybrid model also features an account executive who works closely with each of the communication program’s primary customers. The account executive could be located within the communication program or with the client. By having account executives, the communication program hopes that: they will have more input on communication projects, have more of a warning when large communication projects are in the pipe, and provide tailored communication services. (How to Structure Internal Communication, 2005)

**Degree of centralization:** This policy option has a high degree of centralization. The communication model outlined in this policy option is designed around a centralized communication office. The central office is responsible for housing all of the communications staff, with the possible exception of the account executive. The central office is also responsible for coordinating all of the agency’s communication functions. This type of structure helps to ensure that outgoing communications are strategically aligned in their message, thereby avoiding the mosaic effect of patchwork communications.

**Administrative costs:** Because this policy option calls for the creation of a large, centralized communication program capable of handling nearly any request for communication products, the administrative costs will be high. The agency employing this strategy will be responsible for paying the salaries of numerous communication professionals and administrative assistants. The agency will also be responsible for the
purchase, or leasing, of various types of printers, software, and other communication equipment.

**Staff capability:** Staff capability and administrative costs are positively related. As was mentioned earlier, this policy option calls for the creation of a large, centralized communication program capable of handling nearly all communication requests in-house. In order to provide these services, the communication program must be staffed by professionals able to handle the demands of the job. Because of these demands, the staff’s capabilities must be high.

**Option Two: Overarching Committee – Shared Services Hybrid Model**

In this policy option, we see the communication program divided into a number of fairly equal departments. There is no central office coordinating activity. Each communication department is staffed by professionals, and is responsible for an assigned communication function (public affairs, employee communications, etc.) A significant portion of the technical and strategic work normally provided by a large, centralized communication program is contracted out to external vendors as needed. (How to Structure Internal Communication, 2005)

In order to cut costs, these communication departments “pool” their common expenses. These common expenses, often administrative work like accounting and invoicing, are bundled together under the roof of a service center accessible to all communication departments. The service center is usually considered a separate administrative unit that is located off-premises. (How to Structure Internal Communication, 2005)
One of the main pitfalls of decentralized communication programs is that the various communication departments often act independently. This can lead to employees receiving mixed or even conflicting messages. To combat this effect, this policy option calls for the inclusion of an overarching committee. The committee, composed of agency management, communication professionals, and clients, is charged with directing the overall communication strategy for the agency. This cross-organizational committee coordinates planning, the agency “look,” and messaging. (How to Structure Internal Communication, 2005)

**Degree of centralization:** This policy option has a low degree of centralization. The communication model outlined in the policy option is designed around a number of independent communication departments. While the overarching committee helps to ensure consistency in messaging, the communication departments are largely left alone. This independence allows the departments to respond quickly to any communication crisis that may arise.

**Administrative costs:** As the communication model outlined in this policy recommendation calls for smaller communication departments, with many of the complex communication functions being outsourced to external firms, the administrative costs for this option are low. The staff, equipment, and facilities required to run a large, all-inclusive communication office are not required for this type of communication model.

**Staff capability:** Due to the fact that many of the complex communication functions are outsourced to external firms, the staff’s capabilities would be considered low. The smaller communication departments that comprise this communication model
are only concerned with the smaller, day-to-day communication requirements of their assigned business units. As the focus of these communication departments is quite narrow, they do not need the technical and strategic staff members required by the larger centralized programs. While this helps keep administrative costs low, it limits the agencies ability to produce communication products internally.

V. Conclusion/Recommendation for Action

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As we have seen, there isn’t a “one-size-fits-all” communication model. Each agency must assess its own communication needs, and design an internal communication program around its operating environment. The two policy options I presented are hybrid models drawn from the list of the ten most commonly used communication models. I wanted to present both a centralized and decentralized communication model, but there is no reason why an agency couldn’t combine elements from both to create its own hybrid if it suited their purposes.

The first option is a highly centralized communication program, capable of producing most any communication product. This option would be best suited for a large state agency with a diverse need of communication products, and with a majority of the employees located in a central area. Employing this model would prove to be quite
costly, so an agency thinking of designing an internal communication program like this should budget for it accordingly.

The second option presented is a highly decentralized communication program. While this model may lack some of the coordination and capabilities of the first model, its strength lies in its flexibility and reduced cost. This model hopes that by having a steering committee, it can avoid the patch-work communication problem that affects so many decentralized programs. Option two would be best suited for a state agency whose employees are spread across a wide geographic region, or that lacks the resources to pay for a larger program.

Ultimately, which model, or hybrid thereof, an agency decides to use is of little importance. What is important is that the agency takes the time to study the models, and chooses the one that best fits its circumstances. “Public policy embodies the values of a society as expressed by its governors; communication articulates and diffuses these values among the governed.” (Lerner, 1974) As public administrators, it is incumbent on us to understand the importance of quality communication in an agency. Having a capable internal communication program will allow an agency to do its work more effectively and will provide a higher quality of service to the public.
Reference List


