



HOW CAN COMMUNICATIONS BE MANAGED AND STEERED?

A NEW TOOLBOX COMPILES KEY MANAGEMENT TOOLS FOR COMMUNICATIONS

Effectiveness and efficiency are keys for success in the corporate world. Management science and consultants have developed many tools, concepts and models specifically dedicated to improving the management of business processes and workflows. Whereas many corporate units have integrated those tools into their daily routines, communication managers often struggle with applying management tools to their field.

In business language, the term 'tool' is a frequently used buzzword with different meanings. It includes the broad range of instruments, concepts, models, systems, devices, software applications, calculating solutions and methodologies used by corporations. Managers can choose from more than 100 popular management tools to optimize processes and routines, secure business performance and gain competitive advantage. Tools can be classified according to their specific purpose as well as to the different aspects of management (Northouse, 2010; Schawel & Billing, 2014; Steinmann, Schreyögg & Koch, 2013):

Tools for different aspects of management

- Analysis tools help to analyze changing markets and environments, provide evidence-based foundations for decision-making, point out different strategies of action, forecast trends and innovation opportunities.
- Planning tools help to set up organizational departments, define a departmental strategy and derive specific goals, make staffing and budgeting decisions, develop time schedules and project management goals.
- Execution tools help to implement programs and ensure that plans are in place, steer and lead teams and orchestrate co-workers, guide processes and workflows.
- Evaluation and control tools help to monitor and evaluate the execution of operations, identify improvement needs and adjust activities accordingly.

Application of tools in communication departments

The application of management tools in communications is rare. A number of established business tools can be used for managing corporate communications. However, according to our research, they are seldom applied in practice. Companies perform well in executing communication activities, but they invest little time and money into analyzing, planning and evaluating the success of communications. Most communication departments rely on tools such as stakeholder mapping or media and social media analytics. Advanced analytical tools such as benchmarking, competitive intelligence and scenario techniques are seldom applied. Some communication departments still make decisions based on gut feeling or previous experiences, rather than carefully considering alternative strategic options.

For planning and executing, communication departments often utilize campaign plans based on SWOT analyses and messaging plans. They also develop handbooks for crisis communication or guidelines for social media. By contrast, the implementation of communication scorecards to plan the execution of communication activities remains low, just like the rare use of sophisticated controlling tools for optimizing process efficiency or internal workflows. In fact, evaluating and reporting communication impact is still predominantly done at the technical level, in a narrative and informal manner. Here, most communication departments report output-centered data such as media reach, website traffic or event attendance.

TOP 10 MANAGEMENT TOOLS

According to the recent Management Tools and Trends Survey by Bain & Company (Rigby & Bilodeau, 2015), the top ten most often used management tools across the globe include:

- 1 Customer Relationship Management
- 2 Benchmarking
- 3 Employee Engagement Surveys
- 4 Strategic Planning
- 5 Outsourcing
- 6 Balanced Scorecard
- 7 Mission and Vision Statement
- 8 Supply Chain Management
- 9 Change Management Programs
- 10 Customer Segmentation

The survey revealed a global trend towards using fewer tools, with larger companies typically applying a greater set of tools than midsize or smaller companies. Of course, every tool has its strengths and weaknesses and might not be useful for every situation or industry. Corporations therefore need to carefully decide which tools to select, and managers in turn have to understand how to use and adopt them. There are numerous proprietary tools that require implementation through consultants, whereas others can easily be adapted by organizations themselves.

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Communication tools

In everyday communication management, 'tool' is a general term widely used when speaking about communication platforms or channels such as blogs or social media, communication activities such as media campaigns or press releases, specific approaches such as framing or storytelling or about particular research tools such as media content analyses or web analytics. Therefore a clear distinction is necessary. In our understanding, communication tools are used for the purpose of steering and organizing corporate communications along the traditional management phases of analysis, planning, executing, and evaluating. Following this, they should not be confused with communication activities, formats, instruments, campaigns or channels.

Tools every communicator should know

If communicators want to be perceived as professional managers in their organizations, they need to know about important popular management tools. And they need to know which tools are appropriate for their own work. The key challenge is to adapt generic tools to the demands of communications and the specific organization. Our newly developed Toolbox for Strategic Communication Management provides a comprehensive overview of established management tools as well as communication tools for analyzing, planning, executing, and evaluating communications. The following selection describes some of the most important tools.

Analysis Tools

- **Benchmarking** is used to analyze and compare how other organizations perform and use this information as a point of reference to determine how to become more competitive. Benchmarking relies on key metrics to compare the quality of services, programs, processes, strategies, etc. of similar organizations. The data can be utilized to improve a company's performance without having to reinvent the wheel. The idea is to learn from best practices at other companies.
- **Stakeholder analysis** is used to identify a company's stakeholders and analyze their power, influence and interest. Based on the analysis, stakeholders are usually mapped according to their importance and predicted response or behavior. Stakeholder maps help to target communication activities towards specific stakeholders and to define tailored messages or channels.
- **Scenario technique** is used to think up different possible future scenarios in an effort to prepare the company for the future. The scenario technique uses existing data in a creative and predictive manner for the ultimate purpose of adjusting strategies according to the most reasonable scenario. Different statistical and qualitative techniques can be combined to identify societal, media, political, ecological and technological trends that could affect the company. This includes time-series analysis, regression modeling, Delphi surveys, forecasting, listening to stakeholders, media monitoring and environmental scanning.

Planning Tools

- **Vision and mission statements** are essential for establishing and executing corporate strategy. A mission is a statement about the primary purpose of the company and serves as a guide for making business decisions. A vision offers a statement with future directions for the company and the corporate values, which all members of the organization should incorporate.

- **Communication scorecards** are an adaptation of the Balanced Scorecard, a method to translate strategies into actions and report on results. Scorecards typically combine financial and non-financial indicators to show how communications generate value. The basis comprises of either business goals or communication targets, from which action plans are derived and linked by cause-effect relationships. Communication scorecards are typically based on value link models, which visualize the way in which communication activities contribute to overall organizational goals. Value links identify functional chains between value drivers such as reputation or commitment, which are influenced by communication as well as overarching financial targets and intangible resources.
- **Brand positioning** is the process of developing a sustainable competitive advantage by placing an object (the company, its CEO, its products or services) in the consumer's mind. Upon analyzing stakeholders' perceptions of the corporate (or product) brand identity and attributes, companies strive to identify a suitable position in the struggle for attention. The goal is to create a unique impression in the eyes of target publics. Various factors such as a fit between vision, culture, identity and image, as well as pricing, promotions, distribution, packaging and competition have to be taken into account. Brand positioning usually results in the definition of a brand promise, which describes the distinct, compelling and value-based idea of the brand.

» There is no lack of performance indicators or tools to measure communication success – the real question is how to aggregate the data?«

Jan-Peter Schwartz, Senior Vice President Corporate Communications & Brand Strategy, OSRAM

Execution Tools

- **Customer and stakeholder relationship management** is used to manage interactions with key stakeholders such as customers, journalists, critical stakeholders and politicians. Marketing professionals use Customer Relationship Management (CRM) to secure profitable and durable relationships with current and potential customers. Based on data of customers' prior interaction with the company, CRM enables companies to predict customers' purchasing behaviors, identify customers most at risk of switching to a competitor, and cluster them into different overall segments. Stakeholder relationship management helps to cluster different stakeholders according to their attitude and influence, and predict their likely reactions. Thereby, communication departments can target audiences more effectively with tailored messages and improve relationships.
- **Change communication management** is a structured approach to preparing and helping organizational members to successfully adapt to organizational change. Change management requires developing a customized plan and creating tailored messages that address the specific information needs of different employee groups. Coaching and training of executives and staff are often used to support this.
- **Crisis communication management** is designed to protect an organization and its stakeholders from the negative effects of crises, such as a loss of reputation or financial assets. The whole concept includes crisis prevention, crisis response plans and post-crisis preparation. Companies usually have a designated crisis management team and use crisis handbooks, which define responsibilities, response times, contain draft crisis messages and provide lists of key contact information.

Evaluation Tools

- **Integrated Reporting** is focused on bringing greater cohesion and efficiency to the reporting process as well as adopting 'integrated thinking'. The International <IR> Framework (IIRC, 2013) proposes that an integrated report should explain how an organization creates value over time in six different dimensions: financial, manufactured, intellectual, human, social/relationship and natural capitals. An integrated report should for instance provide insights into the quality of the organization's relationships with its key stakeholders, which are mainly driven by communications.
- **Dashboard** is a reporting system that is designed to simplify essential information and present key data at a glance for decision makers. Dashboards are used to monitor performance at the corporate level, business unit or departmental level, and are often web-based. They present the current state of activities and goal achievement. They provide quick and often real-time snapshots of all relevant KPIs by visualizing key data in the form of bar charts, graphics, spotlight indicators or symbols.
- **Process evaluation** focuses on project development and progress. It attempts to improve work processes throughout the duration of a project. Indicators include for example budget compliance, throughput times, error rates, satisfaction of (internal) clients with quality and conformity with schedule and deadlines as well as social processes involving the project team. Process efficiency is measured using standardized surveys by project members and can be documented using checklists or bar charts.

Sources: Bruhn et al., 2016a; Bruhn et al., 2016b; DPRG/ICV, 2011; Esch et al., 2014; Esch et al., 2016; Hargie & Tourish, 2009; Hatch & Schulz, 2001; IIRC, 2013; Ragas & Culp, 2014; Rolke & Sass, 2016; Smith, 2017; Riel & Fombrun, 2007; Watson & Noble, 2014; Zerfass, 2008.

Toolbox for Strategic Communication Management

MANAGEMENT TOOLS

- » Strategic analysis
- » Life-cycle analysis
- » Portfolio analysis
- » Means-end analysis
- » ABC-Analysis
- » Cost utility analysis
- » Resource analysis
- » Materiality analysis
- » Budget analysis
- » Customer portfolio analysis
- » Customer journey
- » Sales funnel analysis
- » SWOT, PEST
- » Benchmarking
- » Competitor analysis
- » Positioning analysis
- » Gap analysis
- » Scenario technique
- » Five forces model

- » Strategic planning
- » Balanced scorecard
- » Product market matrix
- » BCG matrix
- » Strategic dice
- » 4 P's of marketing
- » Vision statement
- » Mission statement
- » Disney method
- » Osborn method
- » Brainstorming
- » Mind mapping
- » Design thinking
- » Agile planning



ANALYZE



PLAN



COMMUNICATION TOOLS

- » Stakeholder analysis & mapping
- » Relationship-based target group identification & segmentation
- » Communication touch points analysis
- » Media richness analysis
- » Communication benchmarking
- » Situation analysis
- » Communication gap analysis
- » Marketing portfolio analysis
- » SWOT
- » Forecasting, scanning, scenario technique, trend analysis
- » Issues monitoring, listening
- » Cost benefit analysis
- » Competency analysis
- » Communication audits
- » [Communication Value Circle](#)

- » Communication scorecard
- » Target house
- » Strategic house
- » Value link models
- » Brand iceberg
- » Brand wheel
- » Corporate branding tool kit
- » Corporate reputation management
- » Corporate identity
- » Integrated communication planning
- » Communication / cross-media / advertising budgeting / modelling
- » Reflective communication scrum
- » [Communication Manager Roles Grid](#)
- » [Communications Contributions Framework](#)

How to use the tools developed in this project



The **Communication Value Circle** can be used in combination with other analysis tools to identify and structure communication goals and align communication targets with corporate strategy. By matching all communication goals with specific performance indicators, it can also serve as an evaluation tool.



The **Communication Manager Roles Grid** can be used as both a planning tool to define success profiles or set up personal goal agreements or as an additional evaluation tool to reflect on the individual performance in everyday business and to examine competencies.

- » Performance management
- » Lean management
- » Change management
- » Project management
- » Customer relationship management
- » Business process reengineering
- » Team management
- » Conflict management
- » Negotiation management
- » Knowledge management
- » Innovation management
- » Management by objectives
- » Complexity management

- » Strategic controlling
- » Performance measurement
- » Profit, service und cost center
- » Multi-level contribution margin accounting
- » Target costing
- » Activity based costing
- » Due diligence
- » Total quality management
- » Six Sigma
- » Process audit
- » EFQM excellence model
- » Intangible capital reporting
- » Integrated reporting



EXECUTE



EVALUATE



- » Corporate design manual
- » Code of conduct guidelines
- » Social media guidelines
- » Issues management handbook
- » Crisis communication management
- » Change communication management
- » Campaign plan
- » Content management
- » Key messages toolkit
- » Message mapping
- » Channel management
- » Cross-media management, media planning
- » Open innovation toolkit
- » Stakeholder / social customer relationship management

- » Dashboards, cockpits
- » Evaluation frameworks (DPRG/ICV, AMEC)
- » Brand valuation
- » Reputation analysis
- » Media content analysis
- » Employee survey
- » Relationship / network analysis
- » Public opinion polls
- » Credibility analysis
- » Journalist survey
- » Customer survey (NPS)
- » Advertising impact analysis
- » Website usability test
- » Recall / recognition test
- » Social media analytics (big data)
- » Process analysis

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The **Communications Contributions Framework** can be combined with planning tools to prioritize communication goals and allocate budgets. It can further be used as a supplementary evaluation tool for reporting the four core contributions of communication departments in a holistic manner.

The future of reporting

Communication executives must be able to present a clear and concise report for top management that tells a consistent story of how communications contribute to corporate value creation. Despite the trend towards Integrated Reporting, our research demonstrates that reporting in the field of communication management is still in its nascent stage and remains largely narrative and informal. In the companies we talked to, most evaluation reports presented output-centered measurement data such as media reach, website traffic and event visitors. By contrast, few reports included data demonstrating the strategic contributions of the communication department to organizational performance.

Professional reporting will become an important success factor in the future. Excellent communication executives will move beyond reporting at the technical level and will likely move towards embedding integrated reporting tools. This will result in a more holistic approach to reporting. In the future, a professional report will show the most important measurement insights at a glance and structures real-time information for the purpose of making informed decisions.

Keys for success

- Integrate and adopt established management tools: supplementing communication with management tools helps to plan and define communication targets, measure department effectiveness and efficiency and also helps to report communication impact in the language of management.
- Perform result-oriented assessments throughout the process of value creation: the measurement of communication success is still heavily based on monitoring communication outputs. Departments should track the personal and financial costs and evaluate communication impact based on the strategic or financial targets of the organization.
- Use evaluation insights for planning processes and adjusting strategies: measurement insights and big data applications hold great potential, e.g. for identifying areas for improvement, leading communication teams, or advancing future activities.

FURTHER READINGS

Schawel, C., & Billing, F. (2014). Top 100 Management Tools: Das wichtigste Buch eines Managers von ABC-Analyse bis Zielvereinbarung. Wiesbaden: Springer Gabler. (In German only)

Rigby, D., & Bilodeau, B. (2015). Management Tools & Trends 2015. Retrieved from: www.bain.com/publications/articles/management-tools-and-trends-2015.aspx



At a glance

- Communicators benefit from applying established management tools to steer and optimize communications. Using the same tools as business executives helps to demonstrate the department's effectiveness and efficiency convincingly. Reporting communication impact in the language of management contributes to greater appreciation of the communication unit and recognition as a key competitive factor in business practice.
- The new toolbox offers a comprehensive and structured overview of the most popular tools from management and communication. Communication executives can use the toolbox to verify whether appropriate tools are in place for each phase of communication management. The need to catch up is probably biggest for adopting analysis and evaluation tools, i.e. for using big data analytics or conducting result-oriented instead of output-centered measurement.
- The newly developed Communication Manager Roles Grid, Communication Value Circle, and Communications Contributions Framework supplement existing communication tools to improve analysis and planning and can easily be combined with already implemented tools. Thereby, common gaps in the first phase of the communication management process can be filled.