

Employee Engagement and Communications

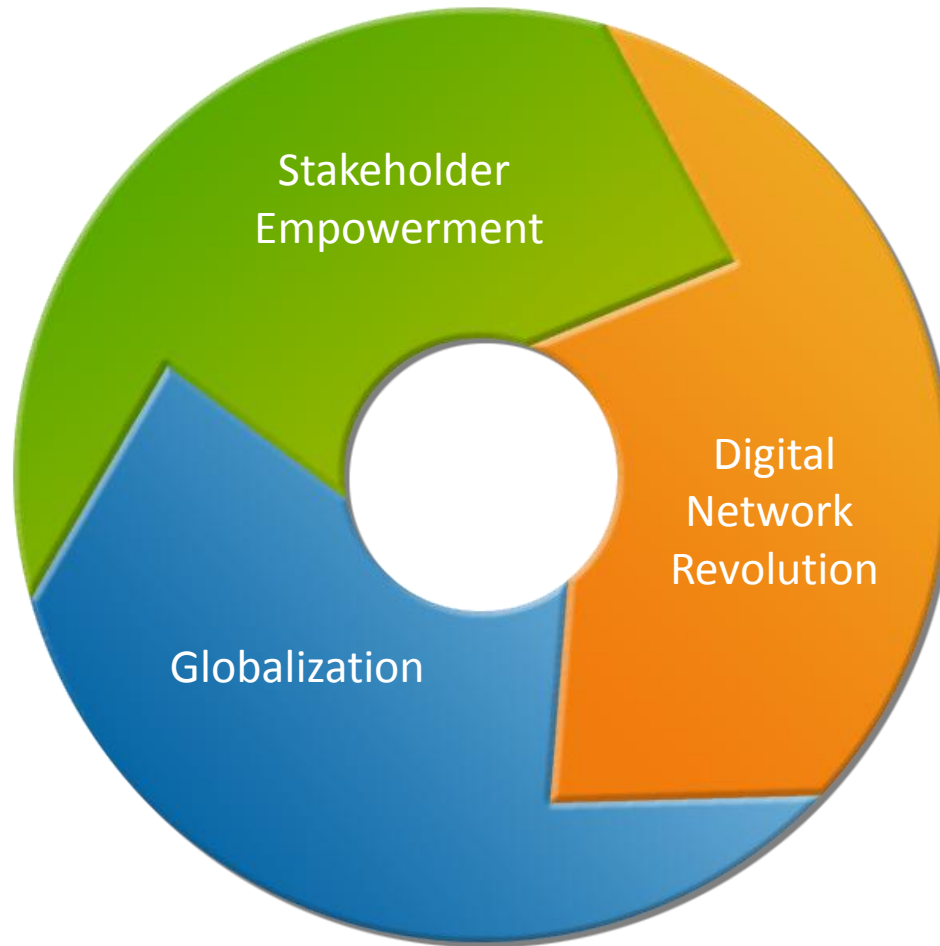
Make the Business Case for PR

Helen Ostrowski
Adjunct Professor, NYU
Retired CEO and Chairman, Porter
Novelli

Old View....



Drivers of change



Source: Authentic Enterprise, Arthur Page Society, 2007

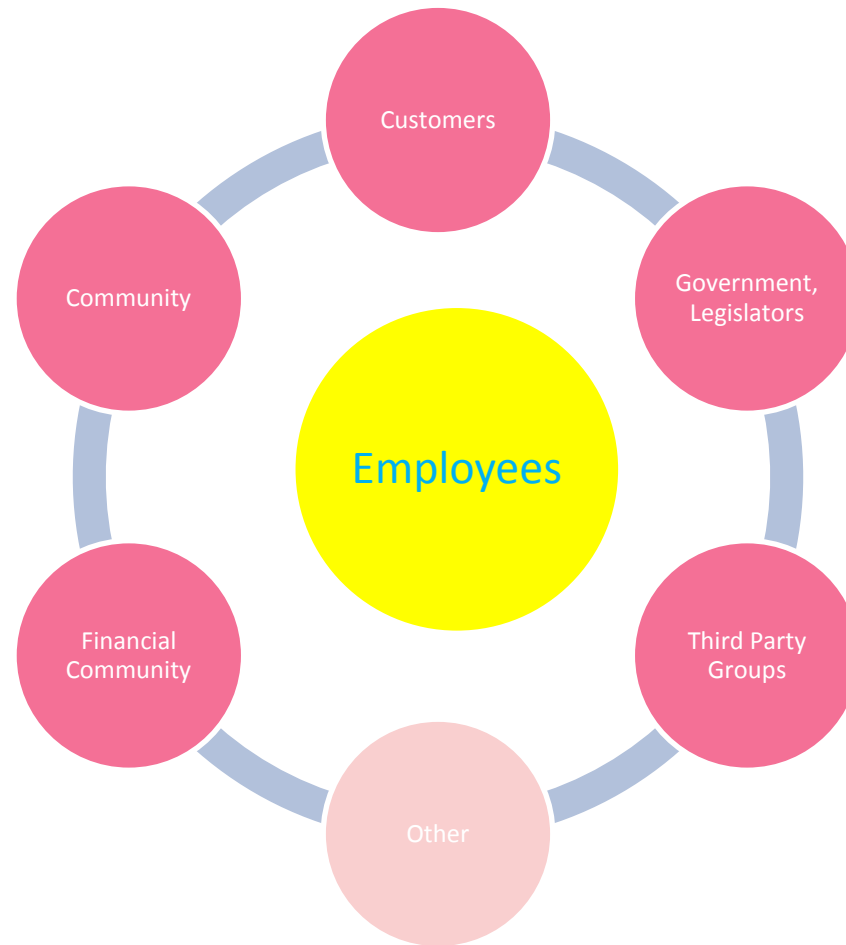
Top CEO Challenges Overall

N = 769

| Relative Ranking | | Cite challenge as being of "greatest concern" |
|------------------|---|---|
| 1 | Excellence in execution | 38.4% |
| 2 | Sustained and steady top-line growth | 36.8% |
| 3 | Consistent execution of strategy by top management | 31.8% |
| 4 | Profit growth | 28.4% |
| 5 | Finding qualified managerial talent | 27.2% |
| 6 | Customer loyalty/retention | 26.3% |
| 7 | Speed, flexibility, adaptability to change | 25.4% |
| 8 | Corporate reputation | 23.7% |
| 9 | Stimulating innovation/creativity/enabling entrepreneurship | 18.7% |
| 10 | Speed to market | 18.2% |

Conference Board, CEO Challenge: Perspective and Analysis, 2007

New View....



The ROI of Engagement is Great

According to the Global Workforce Survey:

| Engagement Outcome | Highly Engaged | Disengaged |
|--|----------------|------------|
| I can positively impact the quality of my company's products | 88% | 38% |
| I can positively affect customer satisfaction | 85% | 42% |
| I can positively impact revenue growth | 59% | 15% |

In addition, a highly engaged workforce...

- Improves employee performance by up to 20%²
- Reduces turnover by up to 50%³
- Increases customer satisfaction ratings by up to 23%⁴

How Well are Companies Connecting?

| EMPLOYEE ENGAGEMENT LEVELS WORLDWIDE | | | |
|---|------------------|-------------------|---------------------|
| COUNTRY | % Engaged | % Enrolled | % Disengaged |
| GLOBAL | 21 | 41 | 38 |
| MEXICO | 54 | 30 | 26 |
| BRAZIL | 37 | 38 | 25 |
| U.S. | 29 | 43 | 28 |
| BELGIUM | 13 | 47 | 40 |
| CANADA | 23 | 44 | 32 |
| GERMANY | 17 | 47 | 36 |
| RUSSIA | 18 | 46 | 37 |
| U.K. | 14 | 42 | 44 |
| SPAIN | 19 | 35 | 46 |
| SOUTH KOREA | 8 | 45 | 47 |
| FRANCE | 12 | 41 | 47 |
| NETHERLANDS | 13 | 47 | 39 |
| CHINA | 16 | 51 | 33 |
| ITALY | 11 | 40 | 49 |
| INDIA | 36 | 46 | 18 |
| JAPAN | 3 | 25 | 72 |

But many are connecting....



Hot Jobs in Public Relations....



On the
rebound

“Outside of digital, companies have also identified internal relations as a hot growth area.”

PR Week, 2010

Employee Engagement and Communications

Making the Business Case for Public
Relations

KDPaine & Partners

Reputation, Employee Engagement and Other Measures of PR Value

Washington, DC

October, 2010

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KDPaine & Partners

Signs that you CAN measure PR

1. Sodexo cut \$300K out of its recruitment budget by building relationships on Twitter
2. BMC Software measures communications effectiveness based on contribution to EPS
3. National Wildlife used #NWF to find 85,000 new fans on Twitter
4. By developing relationships with 11 Mom'. Wal-Mart's changed its image and delivered measureable increases in sales.
5. 1 person --Dave Carroll (United Breaks Guitars) cost United \$180M—the cost of more than 51,000 replacement guitars.
6. SAP made \$1 million by developing relationships in its small business community
7. Goodwill can tie donations to specific on-line and off line PR activities
8. A B2B software company in Cambridge traces the majority of its sales to participation in Linked-In group discussions.
9. Northwestern can measure the bottom line benefit of improved organizational communications
10. Southwest earned enough from PR & Social Media to increase its staff 5 fold

Cost saving metrics

-  Lower cost per click thru vs. other marketing channels
-  Lower cost per message communicated vs. other channels
-  Lower cost per customer acquisition
-  Shorter the sales cycle
-  Increased lifetime value of engagement
-  Reduced legal costs
-  Increased efficiencies

New revenue

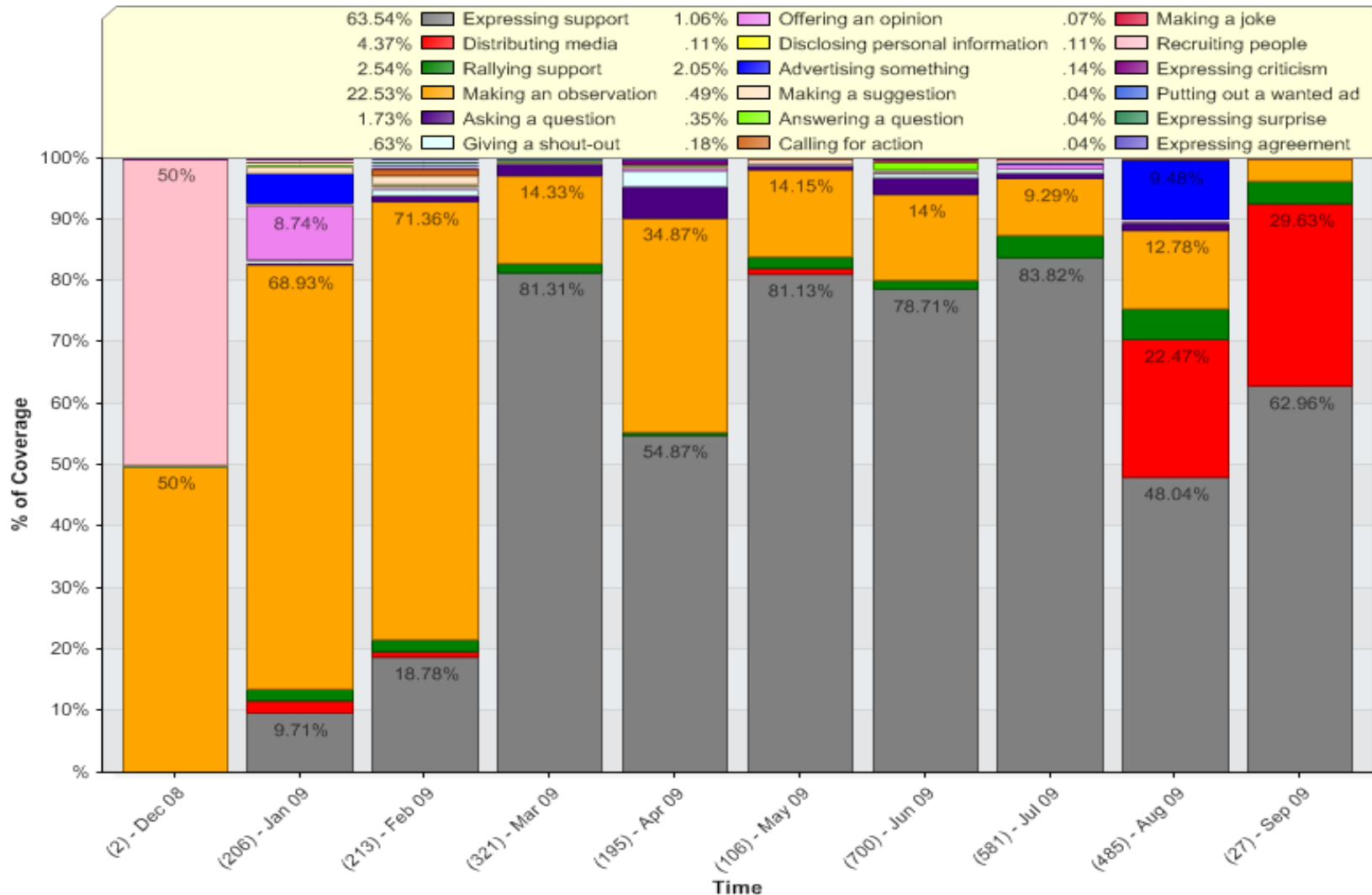


Discover new markets thru listening & relationship building



Tie \$\$ to unique URLs at launch

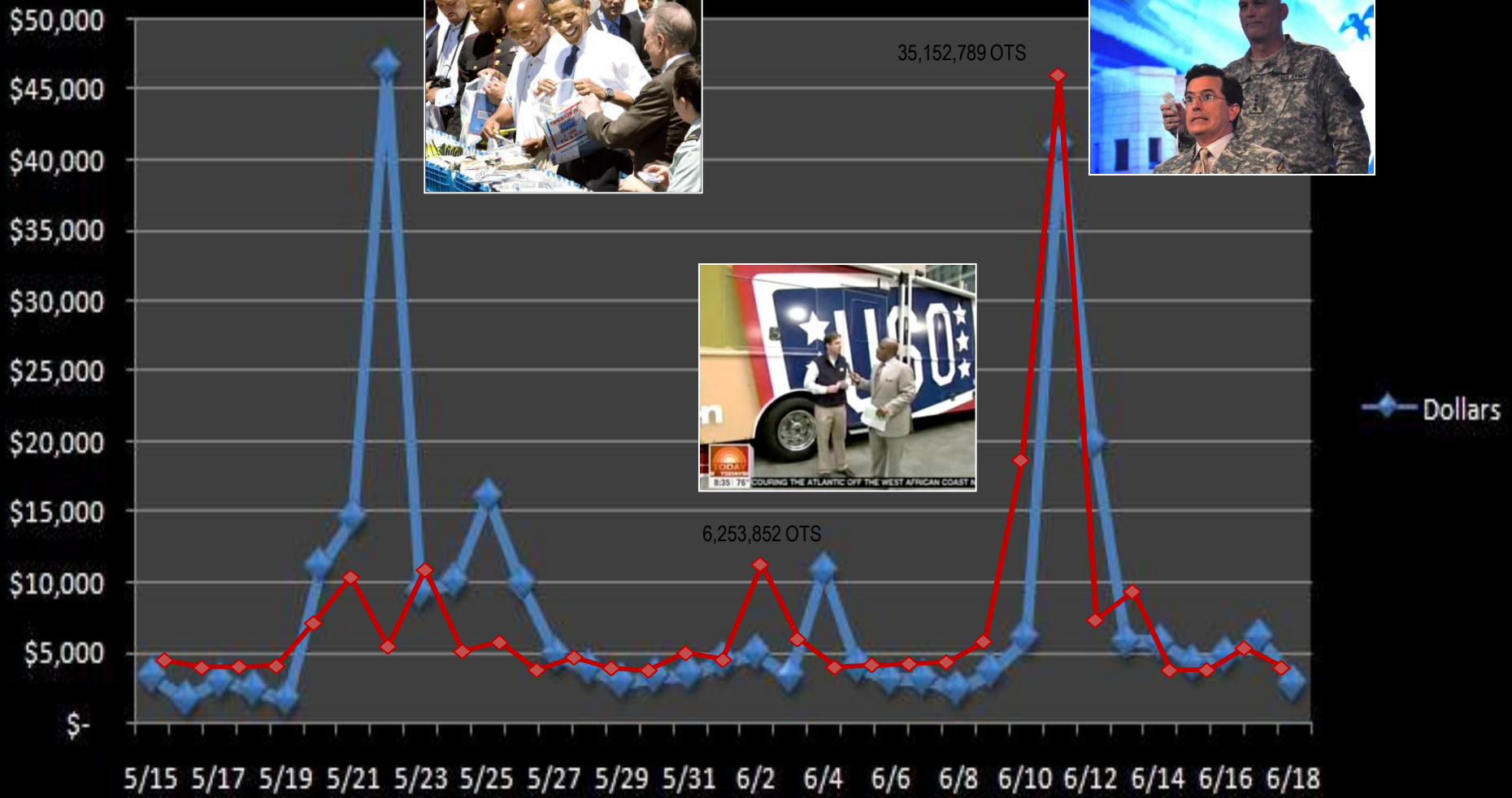
Moving conversation from observation to support



Media Engagement & Online Giving

Online Revenue

May 15th - June 18th in \$USD



ROI = revenue or savings



ROI = cost savings



+ Cost of program



– Cost elimination



ROI = greater efficiency



+ cost of program



– cost of doing something “the old way” (cost per percentage point gained)



ROI = greater revenue, improved ALP



+ cost of program



– value of leads/sales



Revenue KPIs



Cost savings

- Cost per click thru, downloads, engagement vs. other marketing channels
- Cost per message communicated vs. other channels



Lifetime value of engagement



Cost per customer acquisition

Thank You!



For more information on measurement, read my blog: <http://kdpaine.blogs.com> or subscribe to The Measurement Standard:

www.themeasurementstandard.com



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