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**Title of Entry:** BGI/Sinickas Internal Communications Benchmarking Study  
**Division/Category:** Division 1 – Communication Management;  
Category 11 – Strategic Communication Processes  
**Entrant's organization:** Barclays Global Investors (BGI)  
**Client organization or Outside agency:** Sinickas Communications  
**Time period of project:** January – May 2005  
**Brief Description:** In 2005, BGI partnered with Sinickas Communications to conduct an extensive internal communication audit and benchmarking study. The research enabled BGI communication professionals to assess strengths and opportunities in the organization's internal communications practices, benchmark these practices with competitors and other "best-practice" firms, and make informed recommendations for improvement to senior management.

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### **Need/Opportunity**

San Francisco-based BGI is the world's largest asset management firm, investing approximately \$1.5 trillion on behalf of pension funds, foundations and endowments around the globe. A subsidiary company of Barclays PLC, BGI has 2,500 employees in nine countries, primarily in the US, UK, Japan and Australia. The firm is known as the pre-eminent "quantitative" or scientific asset manager, with a unique investment management philosophy that focuses on the rigorous testing of empirical data.

Results from a firm-wide employee opinion survey (EOS) taken in 2004 indicated an opportunity to improve internal communication at BGI. Trouble was—the data was inconsistent across the business groups, and generally inconclusive. But senior management was keen to improve communication and collaboration firm-wide. So BGI engaged Sinickas Communications in a benchmarking study to: help us measure our internal communication strengths and weaknesses; benchmark with competing financial institutions and other firms that demonstrate "best practices" in internal communication; identify communication practices the firm should continue, introduce or eliminate; and inform recommendations for internal communication practices that would impact the business.

### **Intended Audience(s)**

**The primary audience** for the benchmarking study was our executive management team comprising the Global Co-CEOs and the Global Chief Operating Officer (i.e., the "3-Way"). Together, they would review recommendations from the study and approve overall internal communication strategy for the firm. **Our secondary audience** was 100+ managing directors who would serve as key internal clients and stakeholders for several of the recommendations. Most of these senior managers were located in San Francisco and London, had been with the firm for more than five years, and were very seasoned financial executives—which made it critical to have reliable numbers as part of the benchmarking study rather than just anecdotal best practices.

### **Goals and Objectives**

**The goal of the study** was to obtain approval from senior management on research-based recommendations for communication practices the firm should continue, introduce or eliminate to help BGI deliver on key business objectives. For example, keeping the intranet (*bip*) up-to-date could improve productivity and avoid putting the firm at legal risk for the large number of BGIers who needed real-time information to make informed decisions.

#### **Specific research objectives we established to accomplish this goal were:**

- Involve at least 10% of senior managers in establishing their expectations for ideal internal communication that would support their business goals, and gather their assessment of how well they thought it was working at the time. We intended that executive buy-in upfront would increase their engagement in implementing the ultimate recommendations.
- Use a combination of quantitative and qualitative research methodologies to measure our internal communication strengths and weaknesses. The quantitative research was needed to address the numbers-based decision-making style of the firm. The qualitative research was to provide a deeper understanding of what it would take to improve the baseline quantitative data.
- Compare BGI's results against those of 5-10 other companies respected by the executive team that are known for "best practices" in internal communication. As the project developed, we

needed to expand this objective to also benchmark BGI's results against other financial institutions seen as competitors by the executive team, regardless of how well they used communication. Some of the comparator companies also needed to be headquartered in Europe to give the findings more validity in the minds of the executives who would need to approve our recommendations.

### **Solution Overview**

BGI took a collaborative approach to the study, leveraging the strong business knowledge and relationships of its two-person global internal communications team with Sinickas Communications' expertise and objectivity. This partnership would ensure that the project was completed in Q2 2005 and within a maximum budget of \$85,000—even though the number of comparator companies for the benchmarking study was doubled after the budget was set. This was accomplished by having some of the participants provide written responses to the questions before the interviews, so less consultant time was required per participating company.

<b>Steps</b>	<b>2005 Timing</b>	<b>Responsibility</b>
Planning meeting to establish project goals/objectives and discuss research approach ( <i>see work samples: "Planning Guide"</i> ).	January 5	BGI/SCI
Mined existing organizational survey data.	January	BGI
Developed first drafts of interview, focus group and survey questions ( <i>see work samples: "Questionnaires"</i> ) based on previous opinion survey and other available data.	January	SCI
Conducted 12 interviews with senior managers from across the organization and in-person focus groups with 80 employees in San Francisco (4), London (2), Sydney (1), and Tokyo (1). Also conducted telephone interviews with employees in Amsterdam, Atlanta, Boston, Hong Kong, Singapore, and Toronto.	Late January	BGI
Survey delayed to next year due to management concerns about proximity to other planned surveys ( <i>see Implementation and Challenges section</i> ).	Early February	BGI
Planning meeting to review interview and focus group results and to plan the benchmarking process ( <i>see work samples: "Benchmarking"</i> ).	March 11	BGI/SCI
Identified and contacted comparator companies for benchmarking; solicited nine financial institutions and 10 other companies known for their best practices (e.g., contest winners who have demonstrated measurable results) to participate from within and outside the US.	April	BGI/SCI
Conducted benchmarking interviews and analyzed the aggregate data ( <i>see work samples: "Benchmarking"</i> ).	April/May	SCI
Received reports and recommendations from consultant: <ul style="list-style-type: none"> <li>• 113 pages of detailed matrices (in Word) showing how each participant answered each question, with names obscured (<i>see work samples: "Matrix"</i>)</li> <li>• 73-slide Summary of Findings (in PowerPoint) showing quantitative and qualitative comparisons of BGI vs. other participants; included bar charts, pie charts and checklists (<i>see work samples: "Summary of Findings"</i>)</li> <li>• 24-slide Analysis and Recommendations showing if BGI was better than (+), worse than (-), or the same as (=) comparator companies in the two categories of financial and non-financial companies (<i>see work samples: "Recommendations"</i>)</li> </ul>	May 26	SCI
Reports and recommendations presented to executive leadership ( <i>see work samples: "3 Way Meeting"</i> )	July 19	BGI
Recommendations being implemented ( <i>see Measurement and Evaluation of Outcomes section</i> )	Underway	BGI

**From here, we identified eight communication categories we wanted to explore in our benchmarking study (*content examples provided below*):**

- Co-leadership communication (best practices)
- Communicating in a matrix organization (structure of IC function, responsibilities)
- Communication measurement (what measured, how used, resources, sharing results)
- Cross-unit communication (techniques, managing the grapevine)
- Face-to-face communication (approaches, messaging support, cascading, frequency)
- Intranet (content, governance, standards)
- Webcasting (frequency, resources, content, how used)
- Written standards and protocols (types of formal policies, guidelines for development)

Of the 10 best-practice firms, six participated in only the one or two categories for which they were well known, while four of them participated in nearly the entire study due to the strength of their overall internal communication programs. Meanwhile, we achieved 100% participation from the financial institutions in every category. According to Sinickas, such extensive participation from competitors is unusual in this type of benchmarking study, and shows the trust level in the confidential process used to gather the research. All participants were given anonymous copies of the benchmarking report, which showed how they compared vs. other financial companies and best-practice firms.

### **Implementation and Challenges**

We made two significant course corrections that impacted the timing and the outcomes of the study. The first occurred about one month into the project when we eliminated an entire piece of the study: the quantitative research. In the original project plan, we had decided to employ an online anonymous survey of all employees that would serve to identify (with greater precision than the 2004 EOS) the communication practices that employees felt were strong, weak or neutral, and from there pursue our benchmarking research.

After some debate with internal stakeholders (that occurred *after* the online survey was crafted), we agreed that the timing was too soon after the 2004 EOS for another firm-wide quantitative survey and that we should instead cut our losses, mine our existing data for trends and supplement it with targeted qualitative research. This was a difficult decision to make—particularly given the amount of effort that had gone into creating the survey, but in the end, did not impact the quality of the results because a more extensive, and highly quantitative, external benchmarking study was undertaken.

What did (positively) impact the quality of the study was another decision that was made during the benchmarking phase. After Sinickas had engaged 10 “best practice” firms in our research, we realized that in order for our study to resonate with senior management (one of our key objectives), we needed to include more financial services firms into the mix. BGI worked with Sinickas to engage nine competitors in this study – each of whom participated fully.

The additional study participants required that we extend the estimated project completion date to further in Q2; however, we still completed on time – and since we gave up the costs associated with the online survey administration – within budget.

### **Measurement / Evaluation of Outcomes**

**Results of the study’s goal to obtain approval** from senior management on research-based recommendations for communication practices the firm should continue, introduce or eliminate to help BGI deliver on key business objectives:

- **Business spend allocated** (\$100,000) for “incremental changes” to intranet (“*bip*”) in 2006. Phase I to include: reconciliation of *bipsites* (remove old sites); define new *bipsite* information architecture for easier search and retrieval; and create governance model for *bipsite* development, content ownership, maintenance and clarify roles/responsibilities. Phase II will decide technology tools, create templates for future site development and identify technology resources; define training and support model; propose *bip* enhancements; generate executive-level interest in proposed *bip* enhancements, apply for IT spend in Q4.
- **IC Protocols Approved** by Co-CEOs and Global HR Steering Committee: In 2006, internal communications team will create guidelines and standards and set expectations for how, what, when and with whom we communicate information at BGI. Includes: written policy for internal

communication; how we approach crisis communication (e.g., terror attacks) to routine items (org. changes, product announcements, etc.); clarity re what information should/shouldn't be shared about financials/strategy/clients.

- **Increased IC Support Approved** by Co-CEOs and Global HR Steering Committee: Internal communications team given mandate to better equip BGI managers with the tools and support they need to communicate effectively (e.g., bi-monthly MD Call Summary, resource of "best practice" ideas and approaches for employee communications, protocols/guidelines for using email/vmail, cross-unit communications, etc.). *These were all needs/ideas that surfaced from the study.* Also will partner more closely with existing committees (e.g., regional executive and operating committees, etc.) to identify communication needs across the organization and shape messaging.
- **Additional recommendations on communication practices BGI should sustain** were agreed with executive management on July 15, 2005 (see work sample: "3 Way Meeting"; p. 6-9).

**Results on the specific objectives we established to accomplish this goal were:**

- **Goal:** Involve at least 10% of Managing Directors in the research process to enhance their buy-in to recommendations. **Result:** Involved 10% of the management team in research process; In 2006, 100% of MDs will be engaged in one or more of the above-mentioned research outcomes.
- **Goal:** Use a combination of quantitative and qualitative research methodologies to measure our internal communication strengths and weaknesses. **Result:** Interviews and focus groups provided qualitative results. The benchmarking study questions were made more quantitative to make up for the loss of the employee survey as part of the project. In addition, many of the qualitative findings were reported in highly visual ways to make them as easily grasped as quantitative results.
- **Goal:** Compare BGI's results against those of 5-10 other companies respected by the executive team that are known for "best practices" in internal communication. **Result:** The 10 highly respected best-practice companies and nine financial services firms included: Accenture, AstraZeneca, British Telecom, Cisco, Citigroup, Eli Lilly, Goldman Sachs, Hewlett-Packard, Royal Bank of Canada and Washington Mutual.