



# The Perfect

## Identifying the Right Thing to Comm Can Make the Difference Between S

by **GARY F. GRATES**

Gary Grates is executive director of internal, executive and financial communications for General Motors Corp. He is a former chairman and president of GCI Boxenbaum Grates, a strategic communication counseling firm, specializing in employee, marketing and brand communication and change management. He can be reached at [gary.grates@gm.com](mailto:gary.grates@gm.com).



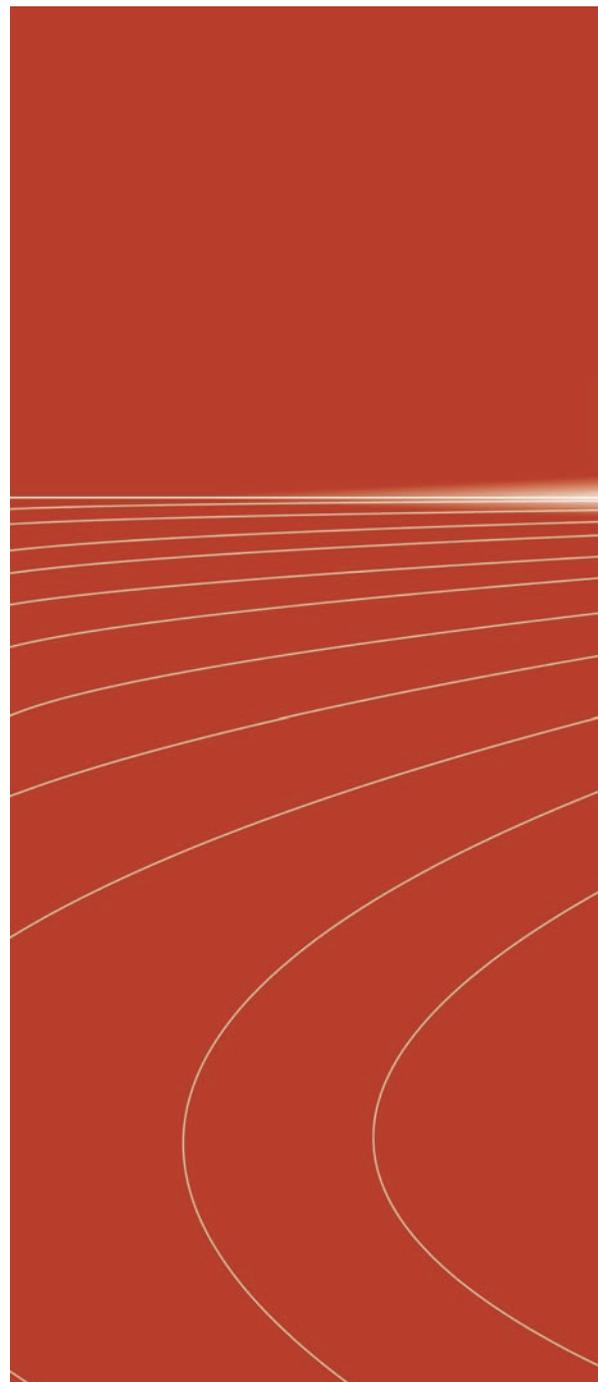
Remember Rubik's Cube, the six-sided, three-dimensional puzzle that became a craze in the U.S. a little more than two decades ago? The challenge was to manipulate the cube so all of the same-colored squares were on the same side.

Nearly everyone gave it a try, typically through trial-and-error. What most people eventually learned was that trial-and-error didn't work; in fact, an ill-conceived decision would wind up eventually sabotaging the entire endeavor.

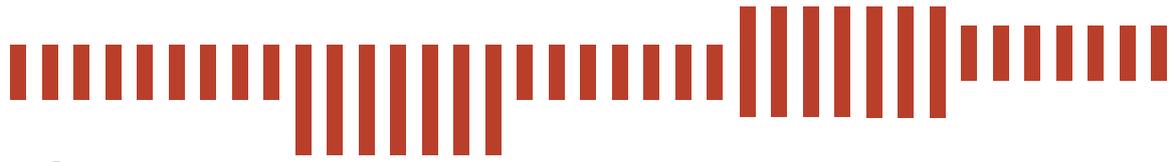
Solving the puzzle, it turned out, was not a matter of luck or randomness; rather, it required forethought, strategy and an understanding of which progressive series of individual moves would lead to the desired result. Some people actually embraced the challenge, much to the bewilderment of the majority of people, who simply threw up their hands.

As professional managers and communicators, we, too, find ourselves challenged with solving elaborate puzzles. In our case, the "puzzle" we must solve is how to tell our organization's story best: who we are, what's exciting about us and why people should care. As in solving a Rubik's Cube, the wrong move now can lead to negative ramifications later on. And, as was the case with many Rubik-cubers two decades ago, we often resort to short-sighted trial-and-error to determine which move to make next—an approach that, once

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# Fit



Communicate Next  
Stifling or Sustaining Momentum



again, ultimately causes some communicators simply to give up.

### FINDING THE RIGHT PIECE AT THE RIGHT TIME

Solving the Rubik's Cube is a linear, step-by-step process, whereas solving the communication "puzzle" is anything but linear. It requires an approach that is simultaneously creative and analytical. The approach must also recognize that every "move" we make now has a potentially significant impact on future activities and outcomes.

Making the right move, or finding the "Perfect Fit," enables the remaining pieces of the puzzle to fall into place and lays the groundwork for comprehension and relationship building.

### WHAT IS THE 'PERFECT FIT'?

The "Perfect Fit" is what an organization needs to be communicating at a specific moment for its story to unfold properly. Communicators are often blessed (or plagued) with multiple choices to communicate to the world that are plucked from myriad business functions, processes and geographic areas.

At the senior-most levels of the company where there's often an eagerness to build momentum,

executives want to tell a variety of stories at once—often a hodge-podge of news about products, services, technologies, environmental initiatives and investments, among other things. What's often missing is the apparent linkage among the stories.

As chief storyteller (or puzzle solver), however, the communicator must identify the Perfect Fit—the next chapter in the organization's evolution that both strategy and logic dictate deserves to be told now in order to build or sustain organizational momentum. And it's important that the communicator know how to identify that chapter.

### IDENTIFYING THE PERFECT FIT

The need to create the Perfect Fit and knowing how to identify it are two different things. Sometimes it's easy: if your industry's leading trade publications or national business media claim you're the best at what you do, you'll probably want to build on that reputation. For example, Apple Computer sustains momentum by building on innovation, with must-have products like the iPod. Apple is communicating its next chapter—the iTunes Music Store, its new digital music service—by building momentum for the company as an innovative leader. By offering a

## CREATING A 'PERFECT FIT'

Identifying the Perfect Fit isn't a matter of conjecture or "winging it." Rather, it begins with the ability to answer several important questions:

### Current Situation

- > Where is the business today?
- > Where is the business going?
- > How is the business perceived externally?
- > What elements within the company and in the marketplace are propelling the business? Impeding the business?
- > How is our stock trading?
- > What do analysts say about us? How about the media?

### Internal Priorities

- > What are the company's internal priorities?
- > What's being discussed at the water cooler?
- > Have there been changes to the executive team that affect our business?
- > Are we improving?

### The Industry

- > How did any of the following recent happenings propel or impede our business and organizational priorities?
  - A new business model
  - Mergers, acquisitions, partnerships or alliances
  - Proposed legislation
  - Financial results

### Reality Check

- > What are the broader issues in our marketplace?
  - Recession/economic growth
  - "America at war"
  - Shifts in political power
  - Regulatory climate

### A Look Ahead

- > Will these events on the horizon propel or impede our business and organizational priorities?
  - Activities of related associations, political groups or labor organizations
  - New product or service launches
  - Analyst or debt downgrades or upgrades
  - Slow recovery of the stock market
  - Our competitive skills

### Defining Our Story

- > What does all of this tell us?
- > What should we be doing?
- > Who needs to do what?
- > What's the Perfect Fit? Are we picking up the cues that will allow us to tell our story? Is our story a marketing story or an operations story?

Answering these questions—not an easy task if approached seriously—allows communicators to plot priorities. The act of answering these questions also facilitates an open, ongoing dialogue between all communication functions and ensures that internal and external communication are in sync. A complete picture of the company, its audiences and its marketplace is painted—often for the first time.

practical way of providing online music that people are willing to pay for, Apple is also setting standards the music industry has been looking for and is eager to adopt. It remains to be seen if iTunes will add significantly to Apple's bottom line in the long run. Apple is confirming its innovative bent through a coordinated iTunes promotion effort that includes advertising, marketing and publicity.

But for most organizations, the Perfect Fit is harder to come by.

Fortunately, identifying the Perfect Fit requires the same skills and strategies that many corporate communicators leverage every day. (See sidebar below, "Creating a Perfect Fit.")

To identify the Perfect Fit, it's imperative that organizations integrate functions and departments that currently exist in silos, and gear communication toward whatever is promoting momentum and growth in the marketplace. Communicators need an innate understanding of the factors critical to the organization's success, such as quality, cost reduction and the ability to deliver cutting-edge products, for example, as well as a solid grounding in external issues that affect the organization. This knowledge, coupled with a

realistic view of consumer opinions and media interest, can result in the unfolding of a story that resonates with the marketplace.

The organization's evaluation and decision-making protocols must be as quick as they are smart. Communication relegated to committees and endlessly revised program drafts inevitably lags external developments that the communication was initially meant to reflect or influence.

Put another way, the Perfect Fit today likely won't be the Perfect Fit two months or even two weeks from now. A missed opportunity is just that—missed. Marketplace conditions, organizational factors, environmental sensitivities, political climate or consumer readiness cannot be put on hold and recreated when you are ready. If you're not keeping up, you're out.

Leadership's involvement is critical in identifying the Perfect Fit. Only when communication is integrated with management can the company influence how its story is perceived inside and outside.

#### ACTING ON THE INFORMATION

It's critical that someone—preferably the company's chief communicator—serve as a mediator to keep



Ultimately, the answers are the only things that truly enable a company to develop a cohesive story inside and outside the organization—who we are, where we're going, how we define the future, short- and long-term goals, and how success is defined and measured.

#### Case in Point

*The Evolution of General Motors' Brand Resurgence.* During the past few years, General Motors has captured people's attention and moved a long way toward reestablishing its brand identity through a business transformation that includes exciting new products, a more visible presence in

the marketplace, tangible results, higher quality, better service and dynamic leadership.

The chart below depicts the communication model employed during this time. It reflects a Perfect Fit mentality in that the company has been telling its story in a building-block style, allowing constituents to connect the dots. This approach enables employees, consumers, the media and analysts to "discover" GM accomplishments while letting GM be defined by its actions rather than words. This kind of clarity has given GM an added advantage over its competition, while positioning communication strategically in the management model.

PLANTING SEEDS (Building interest)	TAKING ROOT (Story formation)	BLOSSOM (Fruition)	TARGET AUDIENCES
Streamlining manufacturing systems	<ul style="list-style-type: none"> <li>&gt; Quality</li> <li>&gt; Efficiencies</li> <li>&gt; Cost elimination</li> </ul>	Telling the story behind the business decisions	Influencers; analysts/financial; industry, financial and business media
Improving vehicle development	Exciting new "gotta-have" products	<ul style="list-style-type: none"> <li>&gt; Cadillac CTS</li> <li>&gt; Chevrolet SSR</li> <li>&gt; Pontiac Grand Prix</li> </ul>	Financial and business media; general public; auto enthusiasts
Strengthening internal discipline in primary business strategies and drivers <ul style="list-style-type: none"> <li>&gt; Quality</li> <li>&gt; Cost</li> <li>&gt; Productivity</li> <li>&gt; Leadership changes/new hires</li> </ul>	Third-party recognition: <ul style="list-style-type: none"> <li>&gt; Harbour (productivity)</li> <li>&gt; J.D. Power (initial quality)</li> <li>&gt; Consumer Reports (quality)</li> <li>&gt; Vehicle awards (consumer acceptance)</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Market share growth</li> <li>&gt; Productivity growth</li> <li>&gt; Stock price improvement</li> <li>&gt; Quality improvements</li> <li>&gt; Aggressive pricing</li> <li>&gt; Consumer acceptance</li> </ul>	Financial and business media

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the storytelling process moving. It's helpful to have several people trying to figure out the Rubik's Cube; eventually, however, someone needs to turn it.

The chief communicator, then, becomes chief strategist: in sync with leadership, defining the Perfect Fit for vital segments of the organization, constantly reiterating why it's the priority message, mapping out how this chapter will be told inside and outside the company—from media, investor and employee perspectives—and putting measurements in place to ensure that the story is being received as planned. Ultimately, the chief communicator determines when the next piece of the puzzle—or twist of the cube—must happen to make sure the story stays on course and sustains momentum.

Staying on course is about sensing and responding, rather than force-feeding. Too many companies make the mistake of telling customers how “innovative” they are. Finding the Perfect Fit isn't about proclaiming your innovation; it's about other people telling you that you're innovative, as in the example of iTunes.

## IT'S ALL ABOUT CLARITY

The whole purpose of looking at communication in this manner is to allow your constituents to begin to see your company more and more clearly. A clear message can enhance consumer purchases, employee morale and stock value.

Clarity, however, is a moving target. For example, if consumers need to hear your organization's quality story in order to burnish their perception of your products' value, and your quality is deemed suspect, the whole effort will kill your progress, or worse, damage your credibility. That's why assessing the Perfect Fit is a team sport—it must be understood and acted on inside the organization first.

## WHO'S FOUND THE PERFECT FIT?

**Big Blue Bounces Back.** IBM represents another company that understood the concept of the Perfect Fit. Former CEO Lou Gerstner Jr. recognized in the mid-1990s that IBM was no longer in a

situation to dictate products to hapless customers—particularly when it was selling mainframes when customers wanted PCs.

Of all the things IBM started doing to improve its performance, Gerstner and team realized that the piece of the story that demanded to be told—the Perfect Fit—was how it embraced the Internet.

E-business became the new mantra for the company. Communication in all forms—advertising, public relations, sponsorships, public affairs—focused on conditioning new behaviors and leading employees, pundits, media, prospects, customers and others to better understand and value e-business. Emphasis shifted from mainframes to PCs and services.

New CEO Sam Palmisano is pushing the next piece of IBM's e-business strategy—e-business on demand.

IBM's resurgence continues to be one of the greatest modern business turnaround stories. How communication builds a dialogue around e-business on demand will allow employees, customers and Wall Street to continue to propel Big Blue into the future rather than securing it in the past.

**'I AM Canadian.'** After research revealed that its target market of legal-drinking-age males was proud of its Canadian heritage, Molson Canadian in 2001 launched an integrated “I AM Canadian” marketing communication campaign, drawing Canadians into an exploration of their patriotism with a toast of Molson beer. It was essentially the Perfect Fit for Molson's evolution and recognition as a Canadian brand.

**Penney-wise.** JC Penney brought in new leadership, and then it announced a new merchandising strategy and redesigned its stores. These steps were exactly the jolt this moribund franchise needed. Penney's financials improved, and its reputation has rebounded. Above all, Penney wisely realized that creating a dialogue around the series of smart management moves allowed consumers to believe in its values.

**The World as a Niche Market.** IKEA's success is built on offering a wide range of home furnishings with good design and function at prices low enough

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that as many people as possible can afford them. That means meeting the home furnishings needs of people throughout the world—people with many different requirements, tastes, dreams, aspirations and wallets, people who want to enhance their homes and improve their everyday lives. The continuing chapters in the IKEA story actually venture no further than that basic premise, which is what makes the brand so special.

**Pretty Foxy.** Fox News went from nowhere to number one far quicker than anyone could have imagined. It realized its Perfect Fit was to be the anti-CNN: offering provocative programming and making viewers believe they're making up their own minds. Where CNN is like a college lecture, Fox is like eavesdropping on a rousing debate between professors at the corner bar after class lets out.

**"It's the economy, stupid."** This infamous 1992 presidential campaign phrase from Clinton advisors Paul Begala and James Carville epitomized a communication strategy that established their beachhead message and then allowed the Clinton camp to establish a real gap between Clinton and then-President George H.W. Bush.

### WILL THESE COMPANIES FIND THEIR PERFECT FIT?

The Perfect Fit concept even makes it intriguing to consider companies other than your own, to gauge where they've gone wrong and whether they'll figure out how to re-approach the telling of their story.

#### Up, Up and Away? Or Down, Down and Go Away?

Big and bloated airlines such as United and American kept telling an expansive story no one wanted to hear. It appears the Perfect Fit will be found by the first one to figure out how to persuade the world it can transition out of bankruptcy with a sustainable new business model. Or the first one that communicates to employees and to the public tangible measures by which to gauge progress.

**Rolling Back Success?** To date, Wal-Mart has been a phenomenal success story. In thinking about its future, however, where can one go from a

pure price message? Recently, issues surrounding part-time employment and job benefits, overworked labor and questionable management tactics have been the subject of media attention and scrutiny. How any of this slows down the Wal-Mart juggernaut remains to be seen. Wal-Mart's next chapter has not yet been identified.

**Quite a Pickle.** The news for McDonald's gets worse every day. And every day, it seems, brings a different story—one "imperfect fit" after another. Will a new slogan save the day? Or will yet another new food product make the difference? Maybe, just maybe, the company would be better off rededicating itself once and for all to better-tasting burgers and a clean, friendly, fast consumer experience. For that to happen, the company's franchise operations have to catch up to its marketing.

**Logic Gap.** Seldom had a Perfect Fit been so perfect—30-something consumers went crazy for The Gap's casual cool. But the retailer miscalculated its Perfect Fit and went after its loyal customers' kids and younger siblings—a marketing plan that not only failed but also alienated its core clientele. The Gap's Perfect Fit will no doubt involve regaining the loyalty of its former fan base.

**From Deal to Dogma.** Hewlett-Packard hopes it has found its Perfect Fit by way of Compaq. CEO Carly Fiorina and her supporters argued that an HP/Compaq merger would create a US\$90 million technology powerhouse. Fiorina got her way; now her ability to identify HP's Perfect Fit may, in fact, mean the difference between survival and catastrophe. By all outward signs, she's doing a great job at describing the new HP, its value proposition and its new portfolio of products, in addition to recently winning a US\$3 billion IT contract from Procter & Gamble, to the surprise of IBM, EDS and the entire industry. To capitalize on the attention generated by the merger battle with Walter Hewlett, and to mobilize the workforce, HP's Perfect Fit will involve continued proof of the merged companies' advantages in products and services. **CW**