

» Managing communications in labor re-structuring processes: 10 keys to avoiding errors

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When a corporation has to tackle the **re-structuring of labor**, a common result is a negative impact on their **reputation**, regardless of how justified this measure may be. Managing communications thus plays a key role in these cases both as a tool to facilitate the negotiation process and in seeking to minimize the impact of the whole process.

In these cases, moreover, **conditioning factors may come together to further exacerbate the situation**, not only affecting the corporation's reputation but the normal functioning of the business itself, such as contingencies deriving from a highly polarized conflict (through walkouts, demonstrations and online activism), which normally lead to a reduction in productivity, the demoralization of staff and mistrust of customers, suppliers and institutions.

Other circumstances, such as a myriad of similar processes in the same sector or in the same geographic region in which the corporation is located can further complicate the process. Furthermore, at times of electoral interest, it is easy for the process to become more visible because of the position it may find itself in politically, which may also negatively affect the course of this process.

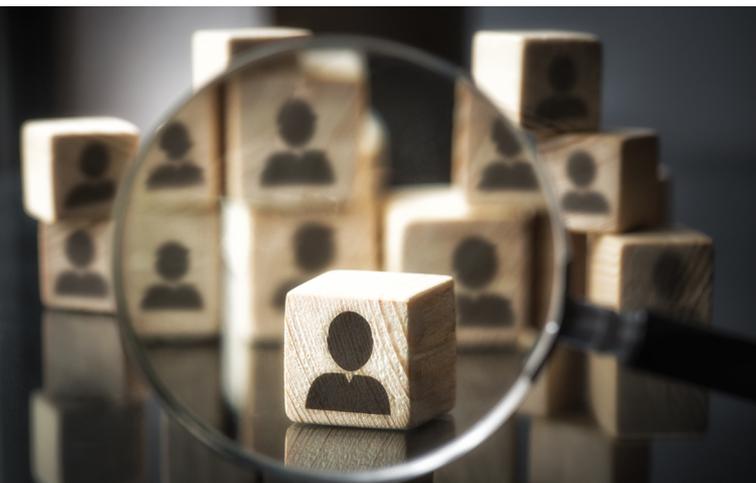
When faced with these situations, we highlight the main **keys to avoiding certain errors** that are frequently made in managing communications:



1. Consider reputation when making decisions on the business and the legal strategy. Potential risks and opportunities from a reputational perspective related to each decision taken by the corporation should always be taken into account. This is particularly important when deciding on implementing a collective lay-off. For this reason, the management team, the legal team and the reputation and communication advisers should agree on the priorities so as to ensure that all important, relevant variables have been considered before making any decision.



2. Humanize the message. The use of excessively corporate language should be avoided and any communication should be backed up by raw economic data. We should not forget at any time that we are dealing with people. While it is true that a legal justification is imperative in these cases, it is necessary to explain the situation in such a way that can be understood by all the workers, who must understand



why it was necessary to make such decision. It is fundamental to address this issue honestly and, above all, not lose sight of the human factor. To achieve that, it is essential to prepare an honest message that is clear, transparent and justified and to assume that this type of decision will not be well received by the workers, regardless of how effectively the communication is managed. The reasons for the decision must be set out clearly and comprehensively, such that it can be clearly understood why the corporation had to adopt such a tough measure.



3. Coordinate with the legal team. The communication priorities (to promote and protect reputation) and those of the legal team (to reach the best possible agreement in the process) do not tend to be initially aligned, but in this type of process it is necessary to work together and coordinate, establishing the priorities and organizing steps according to these priorities. Once such a delicate decision such as tackling a labor re-structuring is made, it is assumed that this will have an inherent reputational risk that must be minimized as much as possible. Furthermore, coordination between the two disciplines is fundamental when “translating” the complex, technical jargon of the legal world to a closer and more understandable reality, without losing the rigor of the message.



4. Anticipate and prepare for potential scenarios. One of the most important aspects in managing communications in any crisis (including re-structuring processes) is to work hard to suitably prepare. This includes preparing such communication materials beforehand as they may prove to be necessary during the course of the process. Anticipating probable scenarios related to each milestone in the process and defining the action plan and messages to be conveyed leaves little room for improvisation and means greater control must be taken on risk management in order to minimize the negative effects on the corporation.



5. Don't view communications as an activity exclusively focused on the media. On many occasions, the need to design a

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communications strategy is only seen in the event of having to handle the media but, nonetheless (and this is becoming increasingly important), there are other public stakeholders or groups that require communications during the process to be suitably handled in order to correctly receive or transmit information): the workers themselves, customers, suppliers, shareholders, consumers, banks, public authorities... It is key to develop arguments and messages for each of these groups of stakeholders because, once again, they do not all share the same interests or concerns regarding the course of the process.



6. Maintain the communications initiative. In terms of communications, the first message that is sent out or published on any issue is the one that is most likely to stick, as long as no other message exists that contradicts or clarifies it, it is assumed to be valid at source or, at least, as the foundation on which any other subsequent negotiations will be based. To put it another way, the first party to initiate communications (and particularly in any debate on opposing positions) has the greatest chance of their argument being accepted from the start and in a better manner. In this regard, when faced with doubt as to whether the corporation should announce the measure publicly, it is usual to have to determine whether the interest of corporations to remain below the radar should prevail, even with the expectation – almost always impossible to achieve – that there will be no chatter about processes that are always controversial. In an increasingly hyper-transparent society, trying to ensure that an issue that affects people in this way is not spoken about publicly is practically impossible, and hence it is better to maintain the initiative in terms of communications.



7. Leverage quick decision-making. Nowadays, the ability to disseminate information is immediate, global and accessible to anyone thanks to technology and the social media. For this reason, the speed of which events unfold and their immediate and potentially serious consequences mean that it is particularly important to react quickly and be capable of swift (and well-argued) decision-making. There are only two ways to achieve that: to have prepared the potential scenarios in advance such that most of them are already analyzed and/or have sufficient experience

in processes of this type so as to be able to adopt decisions quickly that provide added value in the analysis of the situation and its consequences at any given time.



8. View employees as potential spokespersons.

Anybody with Internet access has the potential to have an almost global impact and may be even more effective than the media. This equally applies to company employees that are subject to a re-structuring process, even though the corporation provides limited access to the Internet from corporate terminals. Given the impossibility of imposing restrictions, it is important to remember the importance of honest, transparent, understandable and well-argued communications. We cannot take the measure that needs to be made popular, but we should ensure that employees in particular (whether affected or not), appreciate why it was necessary to make this decision.

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is a crucial element that must be taken into account both internally and externally. Instant messaging and social media means that anyone can communicate what is happening in their company, at the negotiating table or anywhere else at any time... and this circumstance means that not only the media and digital publications but also social media must be constantly monitored in order to be aware of information being published, and that it is reacted to in a timely manner should this prove necessary. Evidenciar la voluntad negociadora.



10. Demonstrate an interest in negotiating.

Although different interests and red lines exist in any negotiation from a legal point of view, both negotiating parties must substantiate their interest in reaching an agreement. Examples of processes that have been cancelled because this interest was not being suitably demonstrated are common. As was said about Caesar's wife, the corporation must not only have and exercise this interest in negotiating, but it must also demonstrate this in its communications.



9. Manage in real time. At present, the speed with which information is disseminated



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