

# Client Spotlight

## Edelman Public Relations Worldwide

Edelman Public Relations Worldwide had been talking to itself.

With a bottom-up/top-down dialogue, the world's largest, privately owned public relations firm was assessing the impact of its own success—a setting marked by enormous growth, as well as its cultural complexity of expansion, into disparate regions of the globe.

In four years, the firm increased its staff internationally by 73 percent to more than 1,700 employees, expanded its network into such divergent geographical areas as South America and Asia, and extended the number of offices handling global accounts by 25 percent.

As the firm changed and grew—not only larger, but also more diverse—it became apparent that Edelman needed to crystallize its center.

Wanting their focus to be as clear as that of Daniel J. Edelman when he founded the firm almost a half century ago, employees asked for the identification of a core set of principles and beliefs they could share to help them every day in making decisions and defining their goals.

Enter The Ken Blanchard Companies.

While consulting with Edelman about the powerful potential of Blanchard's core learning program, Situational Leadership® II, Blanchard consultant Chris Brunone emphasized that to be truly impactful, training has to be connected to the strategic direction of the company, a process that is most effective when an organization has a clear vision.

The words "clear vision" resonated with Edelman's decision makers who had taken to heart what employees were requesting.

"We were a company in transition, evolving from an organization with international offices to a true global network," says Richard Edelman, who, in 1996, followed his father into the role of president and chief executive officer. "We recognized that companies with clear focus, vision, and goals have a proven positive business impact. It was apparent we needed that to continue to succeed," says Edelman.

Following research conducted by Thomas L. Harris/Impulse Research and The Ken Blanchard Companies, Edelman people embarked upon a program that would involve all 38 offices and all staff levels with the specific purpose of creating a shared-focused future.

**CHALLENGE:** To crystallize its core, create a sense of purpose and values, clarify its vision, and provide a clear picture for what leadership needed to do

**SOLUTION:** A two-phased program was developed to create and clarify mission, vision, and values and for the HR department to execute the plan with recommendations to each satellite office.

**RESULTS:** Vision, values, and a strategic focus for the future were clarified, and collaboration and communication dramatically improved. As a result of the processes, the organization was nominated for an award in the category of internal communications.

This two-phase plan called for The Ken Blanchard Companies to help evolve Edelman's Vision, Mission, and Values (VMV) through a program called Creating Your Organization's Future, and for Edelman's global human resources/communications department to execute the plan to the point that it could be evaluated by quantifiable criteria.

"Creating Your Organization's Future is designed to illuminate the vision, mission, and values of an organization, as well as to communicate, enroll, and be sure that employees are living it on a daily basis," says Jesse Stoner, a Blanchard consulting partner who is the coauthor of the program. "This ensures that the values are real and are lived, not just words on paper."

Stoner explains that the key is taking the nebulous term "vision" and turning it into something understandable and tangible in the organization. "People talk about 'the vision thing' without understanding its purpose and how it is developed. We make it real by showing the three elements of a compelling vision and the process to create it. Vision is more than just a picture. To guide and inspire people, it needs to illuminate the purpose and values," says Stoner.

Every company needs and should have a written or unwritten statement about its vision, mission, and values; but what separates successful companies from unsuccessful companies is whether or not these principles are understood and lived.

• The challenge was to bring VMV forward so everyone in the Edelman organization would own it. Everyone needed to know why it exists, its purpose, its values, and how it would look in the future. The same story needed to be told no matter who was speaking.

• The journey began with a Creating Your Organization's Future executive retreat led by Jesse Stoner, where the senior leaders clarified the framework of the VMV process and made sure they were aligned with it; that they fully understood it, and were prepared to provide leadership to support it. They then moved it into the company.

• "We began to reevaluate our focus as a company and embarked on a serious and ambitious effort to identify and communicate what it is that makes us special," says Michael Morley, deputy chairman and president of International Operations. "We reached out into all parts of the company and listened to the many diverse voices and opinions, with the aim of creating a composite picture of ourselves that is as true and vivid in London or Shanghai as it is in Sao Paulo, Toronto, or Chicago."

• In order to make its VMV real for each employee, Edelman enlisted people company-wide. Under the direction of Janice Rotchstein, chief knowledge officer, a task force was developed to evolve what was begun and launch the program into the Edelman global culture.

• "Ken Blanchard gave us the cornerstone—the intellectual capital," says Rotchstein. "We had to take it upon ourselves to do the rest."

• Two members of the firms' executive operating committee, Michael Morley and Pam Talbot, president and COO, Edelman, USA, worked closely with an international employee task force and acted as cochairs of the VMV initiative. They and other senior managers, as well as Richard and Dan Edelman, shared their suggestions, insights, and recommendations throughout the process. This dialog fostered continual communication and support on all levels.

• "Our company has enjoyed substantial growth over the past few years, and our business continues to change and grow more complicated," says Talbot. "By engaging our people in the vision, mission, and values process, we...developed a core set of shared principles that are a part of our business strategies and objectives."

A process of integrating VMV and building a sense of community for colleagues from around the world involved focus groups, online questionnaires, global online chats, newsletters, email alerts, screensavers, plaques, collateral, adaptable presentations, a video demonstrating senior management's commitment to the process and the need for employees to give feedback, and a series of face-to-face meetings.

To respect each office's culture and its business demands (client work, holidays, etc.), every office was given the opportunity to launch the finalized VMV in its own way and within a window of two months: September through November, 1999. This flexible approach was met with enthusiasm as each office was able to create a relevant launch program within a reasonable timeframe. Feedback from the employees affirmed that through VMV they had begun to feel that they were one firm with a shared focus. Altogether, more than 800 Edelman employees in its 38 offices actively participated in the process.

"The strongest impact of the VMV is motivation. Now people understand that this company is a place where human beings are important, and professionals find an environment where ideas are shared. And, at the end of the day, good people retention is the basis for successful growth in our business," says Rosanna D'Antona, president, Europe, and managing director, Milan.

Today, there is no chance that any employee, client, or visitor to the firm will be unaware of the company's VMV. Reminders are to be seen everywhere—in the new brochure, the company handbook, on wall plaques, on acrylic desk plaques, and in all company new business presentations. The Vision, Mission, and Values are incorporated into the firm's employee performance appraisal systems and the Edelman Employee Incentive Plan (EIP) includes criteria that aligns the organization's culture with the VMV.

Richard Edelman stated in his cover memo announcing the FY2000 EIP, "Living our values is important to clients as well as to Edelman's people. If you live our values, you will be rewarded accordingly." Employees are eligible for 20 percent of their maximum incentive payment based on a demonstration of living Edelman's VMV.

"Developing and implementing the VMV coincided with the evolutionary growth of our global human resources department," says John Edelman, managing director, Global Human Resources. "It provided a language, system, and approach to integrate all of our employees into the globalization of the business and our human resources practices."

Daniel J. Edelman founded Edelman Worldwide in 1952 in Chicago. The firm has grown organically and by acquisition, expanding domestically through the 1960s and opening its first international office in London in 1967. Continued expansion throughout the next three decades saw Edelman move into Canada in 1972, Asia in 1984, Australia in 1987, and Latin America in 1994.

Today, Edelman Public Relations Worldwide is the world's largest independent, privately-held public relations firm and the only one of the top 10 firms that is not owned by an advertising agency. It employs more than 1,700 people in 38 offices in the U.S., Canada, Latin America, Europe, and Asia-Pacific, and has more than 50 affiliates worldwide. Entering the new millennium, the firm reported it was approaching 20 consecutive years of earnings growth.

Evolving with a changing communications environment, Edelman has developed a dynamic approach to global public relations through two proprietary, research-based methodologies—Reputation Management for corporate image and Brand C.A.R.E. for marketing. Using a worldwide matrix, the company applies Convergence to blend the firm's heralded out-of-the-box creativity with practice and industry specialists who collaborate to deliver strategies and messages customized by market, delivery channel, end user, and geography. The company is a full-service firm working in many areas. These include issues and crisis management, health, financial communications, diversity marketing, consumer products, technology, and industrial and business marketing.

In 1995, Edelman became the first major public relations firm to establish a presence on the Web. As Inside PR magazine noted in a recent Agency Report Card, “Among the top-tier agencies, none has had more success in the Internet arena than Edelman.” The firm uses electronic PR to go directly to online journalists and consumers to provide credibility and immediacy in personalized communications.

And Edelman’s latest kudo? A nomination for its VMV program in the category of internal communications for the Public Relations Society of America’s Silver Anvil Award—the industry’s equivalent to an Oscar.

“We are obviously pleased with the recognition,” says Richard Edelman. “But awards aside, creating a shared focused future has clearly worked. The VMV process has transformed our company workforce into a participative, optimistic group. We have been able to accommodate accelerating growth and global account sharing because we now understand the meaning of true collaboration.”