

Getting the Word Out

How a concerted communication campaign (and research) became the bridge for employees following the Satyam crisis, generating confidence and a sense of purpose for continuity.

The crisis

At 9:32 in the morning of Wednesday, January 7, 2009, five neatly typewritten pages rolled off a fax machine at Satyam Computer Services Ltd. headquarters in Hyderabad. The fax machine hummed softly, but what those seven pages contained was to shake the organization to its foundations and reverberate across India and around the world. The founder and chairman of the company had confessed to masterminding the largest accounting fraud in Indian history. That the company didn't shake apart into pieces – and continues to operate two months after the revelation – is also due to communications. This article describes some of vehicles, tools and programs used to communicate to Satyam's 50,000 associates in the days and weeks following January 7th.

Initial initiatives

By the end of the very same day, millions of dollars in Satyam equity evaporated. The next day, the first of what would be more than a dozen class-action lawsuits was filed in the US. While American lawyers were getting busy, back in Hyderabad, the company's leadership team had huddled together in a cramped conference room on the 5th floor of the company's headquarters. They identified 10 major issue areas – customer retention, associate retention, finance, sources of funds, etc. – and formed four task forces, dedicated to customer, associate, financial and legal concerns.

The Associate Task Force (ATF) comprised 12 members from Human Resources, Marketing & Communications, and Satyam Learning teams. Charged with keeping Satyam's 50,000 associates intact, the ATF faced both familiar and uncharted territory. Associates were going through a well-understood sequence of emotions of denial (*disbelief ranging from conspiracy theory to false information*), shock (*a sense of numb and perennial blank*), shame (*almost near paranoia, leading to withdrawal from work, family, social groups etc*) and anger (*frustration coupled with sporadic emotional outbursts, a sense of betrayal*).

To address these, the ATF quickly established some basic communications principles:

1. Inform Associates:

- a. First, before other sources, especially the media
- b. With factual information – as and when they happened
- c. Via a dialogue, not a monologue

2. Influence Associates:

- a. With suitable metaphors and examples to maintain positive morale
- b. To act as their own "Brand Ambassadors" to encourage each other and avoid rumors and speculation

3. Go beyond Associates:

- a. Acknowledge and speak to their spouses and families

But there were some practical challenges, e.g. Satyam's workforce is highly dispersed – not just across countries and time zones, but at both Satyam and customer facilities. Reaching them all, at the same time, and in a uniform manner is difficult under the best circumstances. Further, sensitivities surrounding governance, disclosure, accuracy, timeliness, etc., means that every communiqué has to be scrutinized and validated by management, legal and other consultants.

Thus, the ATF and HR teams collaborated with other units in the organization around the clock – literally 24x7 – to enable the rapid dissemination of credible facts, each day, everyday. A 24-hour help desk was set up for associates to ask questions, express concerns, or make

suggestions. Floor meetings, department conference calls, emails (even YouTube postings) were swiftly used to reach as many people as possible.

Structured Programs

At the end of the first week, the team gathered initial reactions and devised a more structured communication program containing three broad communication initiatives – **to deliver messages** directly from Satyam leadership; **to quash rumors** and correct inaccuracies; and **to provide factual** news and developments. These were implemented through 18 concurrent programs. The programs were launched within the span of 45-days across all Satyam locations globally.

Each program had to pass the “ACR” test – Attention, Comprehension and Retention and adhere to the basic principles of crisis communications – addressing the five “C’s” : clarity, confidence, comprehensiveness, consistency, and control.

Bearing this in mind, the following programs, were deployed. The content was beamed using available conventional media (mail networks, hosting, embeds etc.) and innovative media (in-house television channel, on demand, controlled extranets, the internet, etc.).

- Week 1: Floor Walks and Mailer from Head HR (daily), Help Desk (24x7) mailer from Head - Marketing and conference calls within teams (daily) and regular AIC communication
- Week 2: "SURF THE BOARD" - Board Member broadcasts (24 x 7), "BREAKING NEWS" – Regular associate communication on appointments and updates, "NEWSTODAY" – a daily e-paper to all Associates on daily updates and rumor quashing; extended to the WEEKLYNEWS, "NEWSTODAYLIVE" - a daily 10-min news

bulletin on Planet Satyam on updates and rumor quashing

- Week 3: "VOICE OF THE LEADERSHIP" - a series of mailers and embedded video bytes carrying messages from our Leaders everyday, "DIRECT FROM THE MEDIA" - embedded video bytes carrying interviews of our Leaders and Associates on a regular basis, and "FROM THE CEO" - a three part series from the new CEO
- Week 4: "FROM THE CHAIRMAN" - a three part series from the new Chairman

Additionally, the curriculum of Satyam’s training and development channel, Satyam Learning World, was adjusted to feature material of immediate value to associates, ranging from issues of coping under pressure to thwarting speculations to teamwork to interesting trivia and humor, etc.

Reach

About 60% of associates received communications instantly, in real time, during the first two weeks; the balance received them after some delay. Through the innovative use of internal broadcast and print media, however, we achieved 90% real-time reach within an additional two weeks.

We were able to reach some 4500 associates, housed at subsidiaries, customer locations or certain development centers, by using their team leaders as a channel. Each communication trigger was forwarded or chain-mailed using web-based networks as well as informal meetings.

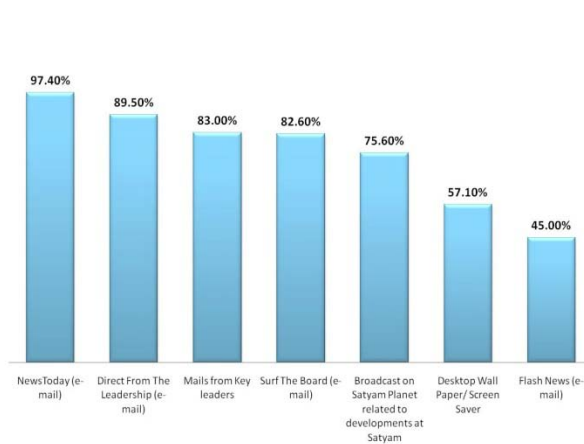
To enable reach from home-office computers, we are in the process of developing a password enabled Extranet which can host on-demand rich content.

Reactions

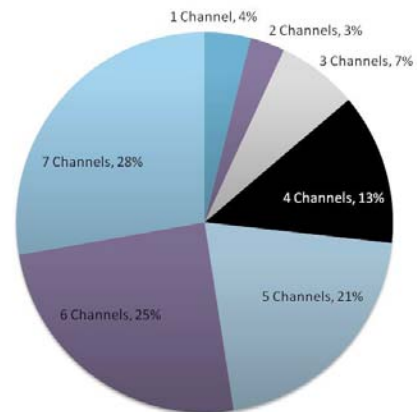
A survey of nearly 1000 associates from across all levels and from around the world provided these selected findings:

- 4 out of 5 associates in the Americas, EMEA and India could get information about developments in the company through at least 4 types of internal communications
- 3 out of 5 associates in APAC (excluding India) received 4 or more types of internal communications
- 9 or more associates out of every 10 associates reported receiving NewsToday and Direct from the Leadership
- More than 8 out of every 10 associates reported receiving mail from key leaders and Surf the Board
- Readership for NewsToday was over 96% and for Direct from the Leadership ranged between 91% to 95%
- An overwhelming majority of associates (90% or more) found the internal communications to be useful in at least six areas and more than 80% of the associates found it useful in another three areas.

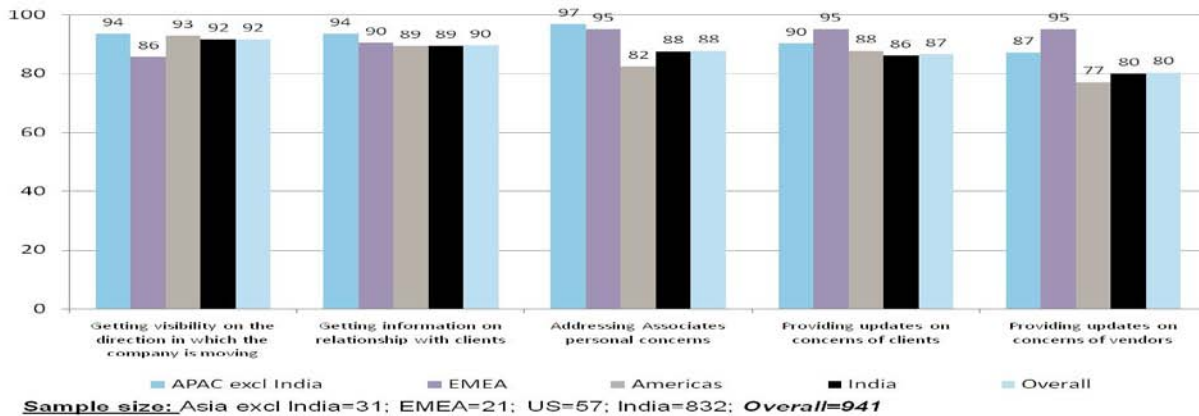
Types of communication received in the last 1 month



Reach to associates by number of channel



% of respondents considered internal communication useful



What we've Learned

Satyam is recovering faster and more completely than almost anyone predicted, or even thought possible. In just eight weeks, Satyam has formed an entirely new board of directors, named a new CEO, appointed new auditors, secured funding for operations, engaged investment banks and consulting firms, retained legal counsel, and has begun the process of inducting a strategic investor into the company. Meanwhile, the vast majority of Satyam's customers have remained with us, and we continue to win new business from both new and existing customers.

Contributions

Concept and inspiration

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The role communications has played is this "success-in-progress" is strikingly clear and vital. We have learned – again – that to be effective, communications must encompass the emotional as well as the rational; that credibility requires transparency and directness; that timeliness and consistency are key; and that nature abhors a vacuum – and will fill it rumor and wild speculation if you don't fill it with fact.

The contents and purpose of this article is purely for education and knowledge sharing.



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This document and the views expressed here are based on internal research.