

# TAMPEREEN AMMATTIKORKEAKOULU UNIVERSITY OF APPLIED SCIENCES

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### **FINAL THESIS REPORT**

# Creating an Internal Communications Development Plan for Sandvik Mining and Construction

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## **ABSTRACT**

This study was created for the needs of the Global Communications department of a global mining and construction company Sandvik Mining and Construction. The internal campaign about a new concept Commitment and Responsibility created for promoting the environmental, health and safety work of the company needed a follow up, which was implemented as the employee survey in this thesis.

The objective was to find the communication gaps and critical points in the internal communication process and create a development plan. The study methods were an employee survey and interviews. The analysis should create discussion in the communication department and the techniques should be executable.

The communication gaps and the development needs were allocated as problems in organizing the work in decentralized projects, communication channels development, noticing the regional variation and the attitude towards employee's activeness in information search. The study results were presented to the communication manager and discussed to further develop the implementation of the presented development suggestions.

**Key words:** Internal communications External Communication Stakeholder
Social Responsibility Communication channel Intranet Social media

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## 1. Introduction

## 1.1 Study problem and Goal

The problem situation is that information needs to be distributed to a globally spread, multicultural organization and within a limited period of time. Effective communication is essential to enable the quick distribution of information and in getting all the organization's employees conscious. The follow-up for an internal communication campaign, which was implemented as an employee survey, forms a part of this study and provides the most valuable information.

The research questions are:

What are the communication gaps in the internal communications of SMC? What can be done differently to obtain a more effective communication process?

This study aims in finding solutions to the problem areas of internal communications in a situation where the information should be spread to a global organization in a restricted period of time. With the help of the Commitment and Responsibility Research Results the communication gaps are recognized. The survey results give information on the success of the Commitment and Responsibility project's internal communications phase as well. After recognizing the communications gaps found in the communications, they are further studied and solutions for these gaps and the critical points in SMC internal communication are developed with the help of collected data.

The SMC Global Communications department may utilize the development plan and the results in the development of their strategies in the future when they face similar communications challenges. This study is also meant to raise questions and give ideas for discussion in the communications department.

## 1.2 Research Methods and Source Information

Qualitative methods were used in collecting information face-to-face from the people involved in the beginning phase of the project. The data has been collected through interviewing the Commitment and Responsibility Work Group including the Communications Manager, the Brand Manager and Communications Officer. These interviews provided information that help to clarify the beginning of the project in the work group and help to make a clear picture about the responsibilities and roles in the project and the communication process. Also in the survey there are open questions, which are qualitative.

An employee survey was conducted to collect quantitative data concerning the Commitment and Responsibility awareness among employees and the distribution of the material. This survey aims in finding out what the gaps in the internal communication process are in order to clear out what to examine when creating the development plan. It will also give quantitative data that helps to model a trend of awareness of this concept.

The primary data has been collected directly from the communications department. Also the survey provides primary information, since the data comes directly from the respondents expressing their opinions. There are also e-mails that have been sent during the distribution process of the Commitment and Responsibility material. A lot of the primary information has come from the communications manager that has been closely involved in the beginning phase of the study.

Secondary data collected consist of various type of information. First, information about the company comes from the company intranet and websites. Commitment and Responsibility material has been used in the evaluation process. Some of the information has been collected during an internship period at the head office. Book references are a source of general information about the communication theories and techniques and picked articles present the industry changes that affect communications today.

## 1.3 Structure of the Thesis and Limitations

In the beginning, the factors that have lead to this study are presented. The Communications organization and structure are explained together with the company presentation.

The theoretical framework of communications function is presented in the means of functions that communication has in general as well as communications as a process. Social media has had a great impact on the way people communicate today, even though it's a new phenomenon. Companies don't have much experience about it and also SMC Communications is interested in it, and for this reason the study also aims in finding solutions from the new models of communication.

The Commitment and Responsibility is presented as its own entity, which along with the details of the implementation is presented in chapter 4. The results of the research will clarify the communication gaps. In the analysis the problems that concern only the EHS project are also discussed, because the subject in question is a long process and suggestions for the long-term communication may be found useful.

In the end, the development plan is presented for the communication manager's interest. The communication problems relevant to the department are discussed further.

The thesis concentrates on the internal communications and leaves out the external communication. External communications is only discussed as a type of communication to the stake holders, which can be internal and external. Thesis will not include the graphic design of the internal marketing products used in the Commitment and Responsibility project i.e. brochure, poster etc. Cost-effectiveness is a feature in nearly all business planning today, and it is also kept in mind when creating solutions in this study.

## 2. Background for the study

## 2.1 The Company and the Communications

Sandvik Mining and Construction (later referred to as SMC) is a part of the Sandvik group which is a global industrial concern consisting of Sandvik Materials Technology, Sandvik Tooling and SMC. The SMC is the largest of the three when measured by sales. In the end of 2009, Sandvik Mining and Construction had about 14,400 employees (Sandvik Group 44,000).

Today Sandvik is a global company represented in 130 countries, but the company is still strongly represented in its small home city Sandviken in Sweden, where it was founded in 1862. This cultural heritage and the fact that many members of the management group together with the president are Swedish, have a strong affect in the company values through the Swedish culture values.

Sandvik Mining and Construction was born in 1998 when after acquiring Tamrock based in Tampere, Finland, Sandvik Rock Tools merged with Tamrock. Tampere plant is still quite a significant part of the operations. Today Sandvik Mining and Construction is a leading global supplier of equipment, cemented carbide tools, service and technical solutions for the excavation and sizing of rock and minerals in the mining and construction industries. It also offers solutions for construction industry applications.

The customers are divided in three segments that are Underground mining, Surface mining and Construction according to the type of production they have and the equipment they have in use. As Sandvik Mining and Construction is represented in 130 countries all over the world the customer service has been brought closer to the customers with the help of eight sales regions that are Europe, USA & Canada, Africa, West-Asia, East-Asia, Australian Pacific and CIS (Russia and Baltic countries).

#### **Communications**

The Global Communications department of Sandvik Mining and Construction consists of the Communications Manager, Intranet Manager, and two Communications Officers and is responsible for coordinating the global communications in the organization.

In addition to the responsible persons at the head office, there are also locally responsible Communications Officers. Each customer segment, sales region and also common function has one Communication Officer. They receive instructions and guidelines from the Head Office and modify the information to fit their specific region, segment or common function conditions. They are a contact for their region, segment or common function and they are aware of Sandvik policies and rules which they are supposed to follow. Communication Officers are part of the Communication Council, who meets two times a year to discuss about the status of communications and give guidance for the future actions.

The Global Communications Department states its mission on the company intranet as 'To create an effective communication that contribute to strengthen the company's competitiveness and that SMC reach its business goals' (SMC Intranet). This follows the common practice of organizations, which is that the communications goals support the actual business goal of the company. The mission continues with 'We do this by supporting management functions, strategic projects, and SMC's communication officers with strategic, counseling and operative communication work' (SMC Intranet). Communications is a function which overlaps many other functions and, thus, a large part of the work is done in cooperation with other departments and many types of projects, as is taken into consideration in the mission statement.

The communications department is responsible for internal communication and communications to non-customers. The Intranet Manager monitors and updates the intranet and there is one person responsible for newsletters and the internal magazine. The communications department is also responsible for communication to other external stake holders than the customers, such as media, universities, government, shareholders, as well as keeping conferences, sponsoring and other non-customer related action. The external communications to the customers such as internet, customer magazines and the trade show

material are managed by the Marketing Communications team which is separated from the communications department.

## 2.2 EHS Function answers to the raising interest in Social Responsibility

The Environment, Health and Safety (later referred to as EHS) function concentrates on the "soft side" of the business. Sustainable development, corporate social responsibility and the well-being of the employees are important goals in any organization and at Sandvik Mining and Construction they are enforced with the help of the appointed EHS manager. The mine accidents that have happened lately make it even more important to report about safety related issues. Also the argued climate change affects to the need for product development of environment friendly products and reporting of consumption and contamination.

Information about the Social responsibility related issues has increased its' importance among the stakeholders interest. Global companies are required to improve their communication about the environmental, health and safety - work in their organizations in order to hold on to the customer's and employees trust. This can be seen as increased campaigns about related issues in the promotion of industrial companies. The campaigns are directed to the internal as well as external stakeholders.

The company values are changing towards the more responsible way, since it's been understood that in order to maintain the trust of the investors and customers, the companies need to care about the sustainable development and tell about it. Company profiling is done with this is mind and in this communications is an important function. The stake holders can only evaluate the companies, if the companies tell about their efforts that in the end are about taking the responsibility of its' actions (Tradenomi 4/10, 10).

Sandvik Mining and Construction has had a department dedicated to environment, health and safety issues for many years. 1, 5 years ago a customer survey was done in Australia about the Safety culture in Sandvik, which revealed that the customers didn't know about the work that Sandvik EHS department does. The information about SMC's EHS efforts hasn't reached the stake holders.

The manager of EHS department decided to act on it right away. He asked the global communications to help him in his concern: How do we increase the awareness of our EHS efforts among our customers? This brought about the creation of a concept Commitment and Responsibility. The aim was to have more information out about the EHS work.

This time the focus is not on finding an environmental strategy for the company, but on the communications around an already existing environmental strategy. In the end, it doesn't make much difference to the stake holders what kind of environmental work the organization does, if they don't know about it. Although Commitment and Responsibility is issued as a project or campaign in the beginning, the overall objective is having a better continuous communication between the EHS function and stakeholders.

# 3. Organizational Communication Framework

The internal communication that takes place in an organization is also called organizational communication, which includes the internal marketing, informing, reporting and other communication. Communications in general has many functions and objectives.

Harrop & Varrey (1998) have presented that three of the most important areas of communications are building the company image, presenting the products and services and motivating the personnel. It isn't enough to have a communication function in the organization, but they think it should be seen as more. It should be seen as a core competence and an integrated process as a part of management. (Juholin 1999, 33)

Company vision is the moving force of organizations. Vision management is one of the most important communication objectives. Åberg (1997) has created a kite metafora about vision management. In vision management communications is the most important factor that links the business management processes to the work that people do. The most important function, says Åberg, is to explain people the forces that keep the company alive and growing, which are vision, strategy and company values.

### Communications as a process

Communication can be seen as a process, if it has a starting and an ending point. A process has different parts and the parts of a communications process are sender, receiver, message, information, channel, disturbances, feedback, interaction and context. (Åberg 2000, 27)

Goal Setting is the basic starting point of all projects. The work community or in this case the communication department needs to recognize the objectives that are important for the unit or to the company. The most important question to ask is: What do we want to reach with this project/campaign/etc.? (Juholin 1999, 43)

Juholin (1999) reasons the importance of goal setting by explaining how it affects to the flow of communications. She claims that it's easier to find right people and evaluate

realistically the resources needed when the goals are cleared out. Usually the communications goal is to support the actual business goal.

Communication process is an exchange process, meaning that something is always exchanged between more than one part (Åberg 2000, 27). Each part has an effect in the exchange process. The receiver of the message can make the process very successful or destroy it. The attitude of the receiver impacts on the importance the message gets (Åberg 2000, 28). The receiver is the one that gives the meaning for the message, which can be the same as intended by the sender or it can be something else. The role of the receiver is even more important today, when the new communications culture emphasizes the receiver's responsibility.

Feedback should always be a part of the communication process, because it gives important information about the success of the process. It's information about the fact that the receiver has reacted on the message (Åberg 2000, 32). However, in practice this phase often gets forgotten and the sender is left without the information on the meaning that receivers' have given to the message (Juholin 2000, 120).

### Communication channels

Communication channel is the means to get the message through. The communication channels are divided in three classes: face-to-face, written and electrical Åberg (2000, 20). It should be chosen on the basis of the relevant elements, such as the target group, timing and the subject of issue, but also the other way around. Sometimes the message changes according the context that the communication channel gives to it. For example, in the communication channel survey that was done at the SMC it's seen that the intranet is seen as the one giving the most trustworthy and correct information, but face-to-face communication has the most effect on employees (Appendix 3: Communication Channels Summary).

The communication channels are even more important when the work community is decentralized. Then, the communication channels are not just supporting the message but they are the only way to get the information. A study done for people working in decentralized organization (Vartiainen, Kokko, Hakonen 2004, 111) revealed the

advantages and disadvantages of the communications channels. Out of the electrical channels the most used were telephone and e-mail. Cooperative tools used were common databases and documents. There weren't many integrated work group environments in use.

### 3.1 Traditional and Modern Communication Models

The traditional model of communications is described with two essential features, according to which the information is neutral and the communications is based on moving information from one place to another. The gaps in the communications are born when there is a failure. These communication gaps are described as the difference between the information wanted and information received. (Juholin, 2008, 60)

The traditional model of communication in general is linear (Åberg 2000, 42). In the linear model the process starts from the sender, continues straight and ends with the receiver. There can be noise on the way, but otherwise the process is seen as very straight forward. Although this model still works great in certain situations, there are also competing opinions. Usually it's seen in hierarchical organizations where the management gives out information whose target is the rest of the organization and close stakeholders. This becomes a problem when the developers and the implementers don't communicate with each other. (Juholin, 2008, 114)

### Social media

Social media has forever changed the world of communications. Social media was born in the beginning of the millennium when different social media pages opened for the interactive communication. Today Facebook and Youtube are the biggest social media networks. Private people have created material, which they have put into these tools to share with others. The popularity of social media has led to a change the habit of communication between people. Communications no longer means passing on information to someone, but rather interactive information sharing. In social media, the information is user-generated. This means that the information is created by the users themselves. Users

can comment on the information, modify it to some extent and push 'like' button when they want to share their liking.

Now, the companies have understood the power of social media and are interested in using it in their marketing and communication. Some smaller sales companies, that market straight to the end users and work with everyday products like food, have found social media helpful in their business development. Big, industrial companies haven't yet discovered them as widely, although most of them can be found in Facebook, Twitter and Youtube.

Organizations are required to adapt to the change, but since the change has been so quick, big organizations haven't been able to change in the same pace with the individuals. This is because the change takes dedication, planning and time. Although it's all about one function, communications, this might be a factor leading into a dynamic change in work communities. As is said, information is power, and thus, if everyone has the equal possibilities to acquire information, the roles in the work community become equal. This isn't simple, when the hierarchy has existed for centuries. In democratic communities the change is easier, because the information moves freely between people, instead of coming from the higher management.

### Role of the receiver

This new way of communicating has effected communication on general level as well as business. On general level, the effect is seen in the role of the receiver. In traditional models, the receiver has had quite a passive role in the communications process, with the only task to give feedback, but now the role of the receiver has grown to be the most important. The receiver is the one that has the demand for information, and the receiver is the one, who decides what information is interesting.

While the importance of the receiver has grown, it also has another effect. This change has generated more responsibility to the receiver of the information, who in fact today, is the person who looks for the information. The process has flipped around, when, now, the receiver is the one that most often starts the process by starting a search for the information about a subject that is interested in. The search is done in the internet with the help of

several search engines. This requires skills in information search, even more than was required before when searching information from books and magazines, since the information can be found in so many different formats. Navigating to the right place is a challenge as well as separating the relevant and trustworthy information from the unqualified information.

## 3.2 Challenges of a Decentralized Organization

Sandvik Mining and Construction has many projects, work groups and even organizations that consist of participants distributed in different locations. Often the specialists or managers that are needed in the work are located far away from each other all over the world. A decentralized organization is one where an organization has a common task and mission, but sits in different locations (Vartiainen, Kokko & Hakonen, 14).

Employees of a decentralized organization face problems on the individual level. It's hard to keep up with all the information, because not all information is written. The effect can also be seen on the emotional level, because the support is not close. The feeling of responsibility grows in these situations, and especially if the manager isn't close, it might feel difficult to ask for help. (Vartiainen, Kokko & Hakonen, 147) However, if the problems of decentralization can be taken care of, it is a great advantage for the business to be able to do long-distance cooperation also in the financial sense.

The difference between communication in person and between long distances is that the spontaneous read-between-lines communication is left out. Messages that are sent between each other are either well planned e-mails, where the information is expressed in a bit professional manner, chat messages, which are shortened to the minimum, or conversations where technical problems create understanding problems. When there is a concern so small that it's not really that important that it would require an e-mail or a phone call, the concern is left without handling. Social networks such as Facebook are based on this same idea. A friend, who isn't that close that one would call to, can be sent a small comment, which keeps up the communication between each other, but doesn't require more. This

phenomenon is common in the feedback giving. The feedback is not usually given if there's nothing "important" to say or if it requires being in contact later on.

## 3.3 Evaluating Communications by identifying the Critical Factors

Measuring the success of a plan or project is measured by comparing the results to the objectives that were set in the beginning. Communication gaps exist when the receiver doesn't get the information that was needed. These can result of shortages in communications, timing or misunderstandings (Åberg 2000, 182). Analysing communication gaps is suitable in the evaluation of an implemented project or process. In SWOT analysis the internal strengths and weaknesses and the external possibilities and threats are placed in four boxes.

The problem factors that cause distractions on a more general level in communications could be called critical points. Critical points can be found in places where the communications can be affected and influenced to slow down or accelerate. These critical points are neutral as such, but the behavior of them decides whether they have a negative or positive influence on the communications process.

For example, a global organization has a multicultural nature. Multiculturalism is a critical point that can influence communications in either way as showed in the picture. When message comes into a situation where employees from different cultures meet and their cultural differences make it difficult for them to understand the message in the same way, the communications process slows down. But then, if it's noticed, they schedule a new meeting where they have developed new *ways of approach* in order to beat this problem. This new approach emphasizes open-mindedness and strength of having many opinions. The communication process accelerates again as a result of understanding.

### **Cultural clash between cultures**

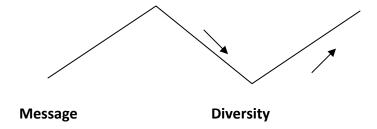


Figure 1 Example of Critical Points Theory: Multiculturalism

As in the example, the positive would be that cultural diversity gives colour to the work environment and may help to bring about more ideas than would normally. The negative side of the cultural diversity could be that it causes cultural clashes which may end up in arguments and stopped communication.

It's natural to think about internal factors first, because it seems like it would be easier to influence them. But external factors are important as well, because the pressure for change often comes from outside and it means that there are also possibilities and threats found outside.

Recognizing the critical points in organization's communications is the hardest part, because it needs studying in order to gather data to back up the results. A study can be an employee survey or just a discussion, but the main point is that is involves employees, not just managers, who have a different view of the organization.

# 4. Internal Communication of an Environment, Health and Safety concept

The Case Commitment and Responsibility is implemented in order to find the critical points in the communications of Sandvik Mining and Construction organization. The aim of the case study is to form a picture of the internal communication process during the first five months after the launch of the new EHS concept Commitment and Responsibility.

The research problem can also be defined with the help of the following questions: In which ways have the employees been informed about the concept Commitment and Responsibility?

How well are the employees aware of Commitment and Responsibility concept?

With the help of the results it's possible to model the communication process in the SMC organization and see the trend of awareness about Commitment and Responsibility among the organization employees. The results also provide valuable information about the goal setting and planning for the evaluation of the internal communication process in the analysis.

## 4.1 Implementation of the Research

The respondents for the follow-up were chosen by looking at the different participants and roles in the communication process. Second, a sample was chosen to represent all target groups mentioned in the communication plan (Appendix 2). In order to represent all sales regions, customer segments and common function of SMC, it was made sure, that the survey was sent out to all parts of organization.

Global Communications began distributing Commitment and Responsibility material inside the organization in April 2010. According to the roll-out plan (Appendix 2: Communication Plan), everyone in the organization all over the world should have received an own Commitment and Responsibility brochure and taken part in an informative meeting by the

end of June. A follow-up was therefore needed in the end of summer to collect feedback on the success of the beginning of the communication process.

The study methods were chosen based on the type of information needed. The respondents were chosen on the basis of the information that they could provide. Because there were two type of information needed, two study methods were used as well.

### *Interviews*

The best source of information was the work group that begun the project. The work group was formed by the Global EHS manager, the Communications Manager, Global Communications Officer and the Brand Manager. The participants who work in the communications department were interviewed, but the Global EHS manager wasn't interviewed, because this study emphasizes the communications process, rather than the environment, health and safety issues, which are the special area of the EHS manager.

The interviews were carried out in Sweden. One of the interviews was done in English, one in Swedish and one in Finnish. The survey was sent out globally in local SMC sites, which means that the study sample was also international. The study process was therefore very international.

### Survey

The survey was sent out on the 30<sup>th</sup> August. It was a good period of time, because by then, most of the summer holidays in Europe were over. The period for answering was two weeks and one reminder was sent in the middle of the period. Nearly half of the respondents answered to the survey on the first day.

The survey had 120 recipients out which 67 responded. Twelve of the recipients were not reachable with the e-mail address given. In the topic analysis the lowest acceptable response frequency rate was set at 30%, so with the frequency rate of 62% the conducted survey was accepted as a source of information.

Performing survey in a global organization includes involving people from many different cultures and back grounds, which may have an effect in the results. The most visible obstacle in communication between different cultures is the language. The survey was planned to be available in Finnish, English, Spanish and Swedish, but because of the lack

of time, the survey was conducted in English only. Having more language possibilities could have affected to the results and willingness to answer to the questionnaire in the non-English speaking countries. However, in choosing the respondents, one of the criteria was to know English.

When planning the survey, the survey tool <sup>1</sup> wasn't completely mastered by the user, which limited the complexity of the results. It would've been useful to know about the causatives, such as the effect of the location to the awareness. However, these connections weren't created for the survey, because of the lack in skill of using the survey tool.

### 4.2 Internal Communication Process

The work group planned the internal communication process by creating an internal communication plan (Appendix 2) and setting the goals, dividing the responsibilities and roles for the implementation of distribution, and creating the communication channels and material. All these aim for the implementation of the internal communication phase.

The Commitment and Responsibility concept was created in the EHS work group. In the beginning the work group was small. It consisted of Global EHS manager, the Communications Manager, Global Communications Officer and the Brand Manager. As the work increased, the work group grew. First, the participants made a proposal to the management group to get their support behind the project. This was very important for the message to be taken seriously. Coming up with a good name wasn't that easy, and it caused some delays in the schedule, but in the end the name Commitment and Responsibility was created. (Interview with Communications Manager Conny Rask)

## 4.2.1 Goal Setting

The goal setting was done by the work group. The demand for EHS information rose from among the customers, so the final target group was the customers. However, the first

.

<sup>&</sup>lt;sup>1</sup> Survey tool: www.easyresearch.com

objective was to increase awareness of EHS work done by Sandvik inside the organization. These goals are presented here to allow the evaluation by comparing the survey results to these.

Sub goals are found as stated in the Internal Communications plan drawn together by the Communications Manager. The purpose of the Communication plan is stated as follows: "The purpose of the internal communication plan is to secure that there is timely and continuous communication regarding EHS and implementation of the concept throughout the SMC organization" (Appendix 2: Communication Plan).

The Communications Manager clarified that to him the most important goal is to make employees understand the meaning behind the Commitment and Responsibility (Interview, Rask). The importance comes from the company's basic need to strengthen the trademark, he says and adds, "It makes the company attractive for investors and workers". The Brand Manager Minna Rodling explained the reason for SMC to take on these actions towards EHS communication stem from the industry trends: "At the moment the environment, health and safety questions especially in the mining industry are a very hot issue. Having a strong image of these alongside the brand is a clear advantage in the market" (Interview with Brand Manager Minna Rodling).

"In the long run we expect the company culture to change towards better awareness about the EHS issues. It's important that the employees understand why we do this, why we need to use safety glasses or recycle." (Interview, Rask) Company culture change is also one of the goals in the case of Commitment and Responsibility, but it doesn't happen in three months, but takes a long time. Still, the first step is to raise awareness and a good place to start from. When an employee starts to think about why he uses or doesn't use the safety glasses, we can talk about progress. Thinking about the safety by themselves instead and being proactive instead of just having rules to obey, is a much more effective way to prevent the risk behavior.

Although the target group for the marketing is all employees, it's also clear that for some it's more important to receive the information in time before the customers and receive

accurate information than to others. In the interviews two opinions can be found. One opinion is that the most important target for the internal marketing is the regions meaning the sales organizations, because they will be the ones that deliver information to the customers. Then again, the production sites are very important, because they need the safety guidance in their work the most, since the accidents happen in the work sites and they implement the safety rules. Both are important views, but they are looked at in different ways. For PR, it's more important to have knowing staff in the sales situation, whereas for the figures it's important to actualize the safety work. (Appendix 1: Survey Results).

### 4.2.2 Distribution of Commitment and Responsibility material

The Communications Manager drew up an internal communication plan before the beginning of the Commitment and Responsibility communication process. It defines the necessary parts such as goals, target group, etc. In addition, the roll-out plan includes the schedule for the process.

Following picture represents the communications process that took place during the distribution of information about Commitment and Responsibility. It's created based on the interview with the Global Communications Officer Heléne Tapper.

The map models the vision that communications department had about the roles and the forwarding of the message. It shows how the material distribution and instructions to use it have been forwarded and who were responsible for coordinating the communications process and informing about the tasks that belonged to each role.

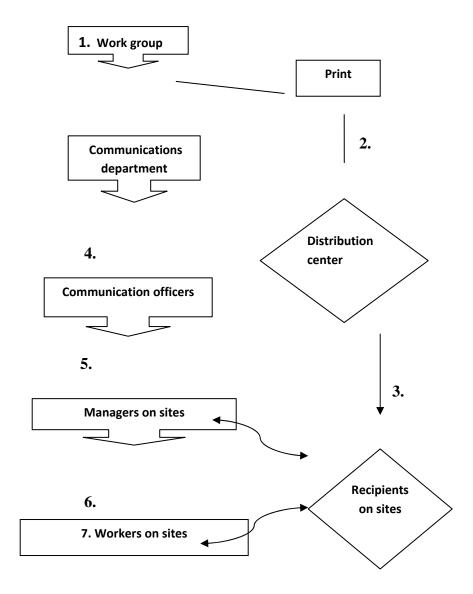


Figure 2: The Distribution of the Commitment and Responsibility material

- **1.** The material was produced by the work group, who received support from a range of coworkers specialized in different areas.
- **2.** The material was printed and sent to the distribution center.
- **3.** The material was distributed to the receivers on a given list. The mailing list is the same as for the InterAction, the internal magazine. There were about 70 receivers for the material.

**4.** The global coordination was done from the Communications department. An e-mail with instructions to what should be done with the material was sent to the Communications Officers. They were informed about their responsibilities with this e-mail. The main task for them was to coordinate the communication in their own respective regions, segments or common function.

The e-mail doesn't actually tell communication officers that they should inform the recipients on sites about the information package, which will be arriving to them. It only says to use your network. It does tell that this information will be sent to the ones that are on the InterAction mailing list, but not more. If the communication officers have not realized what they have been expected to do, the recipients have not received information of the arriving package. The problem is that the recipients might not know what the package is and what they should do with it. For this reason, if might not have been distributed forward.

**5**. Communications officers informed the managers on sites about their responsibility to have the meeting about the Commitment and Responsibility. Local coordination was the responsibility of Communications officers.

The receivers of the material sent the material to the managers, their organizations, or the employees.

- **6**. Managers, or other people responsible such as recipients on sites, held meetings or in other way informed the employees in their organizations. Managers on sites familiarized themselves with the topic on their own
- **7.** The end receivers are all the employees who haven't participated in the distribution process.

### 4.2.3 Communication Channels

An intranet page was created for Commitment and Responsibility under the EHS section in the Global SMC intranet where global information and support material were to be published and shared. This page includes also the EHS discussion forum. The supportive material that was divided for employees and spread around in the organization internally was the brochure, poster, and stickers. They worked as a marketing material and gave visibility for the concept. In addition there was an EHS video where the President of Sandvik Mining and Construction speaks about the importance of EHS. To support the managers or other people who show the presentation at the department meetings a Powerpoint presentation was created with notes.

All managers with a personnel responsibility were supposed to have a meeting where they would inform about Commitment and Responsibility. The minimum requirement for these meetings was to present the presentation and divide the brochures, unless divided in another occasion. The way of performing together with the time put given to discuss, make questions and answers them, was up to each manager to decide.

## 4.3 Realization of the Commitment and Responsibility Communications

This chapter introduces the relevant data collected with the survey. The information we get based on the survey results (Appendix 1) that gives a picture of how the internal communications has been implemented. After this it's possible to evaluate how the goals set for the Commitment and Responsibility communication have been met.

The results are based on the survey conducted on the employees in SMC. The respondents are widely spread all over the world with at least 1 or 2 respondents from each region. The response percentage is greatest in Finland, Sweden, South-Africa, China and Australia.

Nearly half of the respondents belong to the sales regions and Europe region has been the most active in responding, but all regions except USA and Canada are represented. Roundly third belong to the Global Function, and 21 % to Customer segments of which Underground Mining is the greatest.

The level of respondents varies, with 12 managers in management team, 24 managers and 30 non-managers. They come from various work areas and departments.

Over half of the respondents have worked for SMC or Sandvik Group for less than 10 years and more specifically most have worked for 4-2 years.

## 4.3.1 Execution of requirements and instructions

The information has been spread widely in the global organization. Variability between locations is substantial.

In the local sites the responsibilities vary a lot. Many employees are responsible for more than one work area and adding EHS to that means increased work load in practise. Time and dedication are needed in order to perform the job well. There are other demands for the departments and sometimes EHS suffers for that. According to the study results, the EHS is kept in high value and as an important part of the processes. However, extra resources aren't often available, so the sites need to concentrate on the essential. In the communication of Commitment and Responsibility, there has been lack of time and instructions. In normal situations there are usually enough work force, but when there are holidays, sick leaves or other temporary changes, it might delay the extra work been done. Surely the safety is taken into consideration even in hurry, but there might not have been time for reporting or in this case, holding the meetings, although everyone tries to do their best. Still 44% of the information distributors didn't experience lack of resources in their organizations.

Some did only the essential, which gives the influence of the importance of the message: "I think the material was good, but there was bad communicating. We were only shown the presentation and given the brochure, after which we were asked to sign the attendance list." Then again, some were dedicated and were able to take time to handle the issue more, which leaves a good image about the issue: "Everyone was invited to a big meeting and the top management presented the concept and explained why it's so important to SMC." It can be seen in the comments, that the ones who had a meeting and, even better, discussed about the subject, were more content in the communications. The ones that didn't have an interactive handling of the subject weren't so positive towards the concept.

Most of the respondents were satisfied with the communication flow at their departments.

The problems faced by the sites in the communication of Commitment and Responsibility are related to meeting the requirements set by the work group. Reaching the time limit has been problematic in some organizations: "The organization consists of so various type of local sites, some of which are decentralized having people working in remote locations, that it's not possible to have a time limit that fits all." In some sites, the implementation of Commitment and Responsibility was high cost.

### 4.3.2 The use of communication channels

The Communication channels planned and created by the work group are presented in chapter 4.2.3. The data in figure 3 tells about the utilization of the communication channels in the organizations.

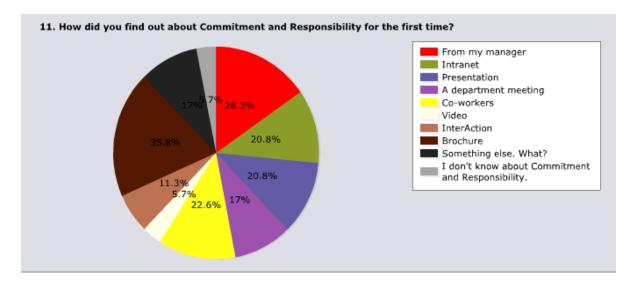


Figure 3: The Use of the Communication channels

There are multiple sources of information for the Commitment and Responsibility. As presented in the chart above, the most popular sources of information have been own manager and the brochure, that supposed to have been divided to all employees. It can be noticed that for many, the interactivity at the department – such as co-workers, department meeting and own manager- has brought about information, which has not been mentioned in the communication plan.

In the communication plan, it's set as a concrete goal, that all employees would receive a brochure. The majority, 75%, of the respondents had received the brochure, and others have seen it at their work place, but haven't received an own copy. In addition to distributing a brochure to everyone, the target was also to discuss about Commitment and Responsibility in a meeting in all departments. Roundly half of the respondents say that they had had a meeting about Commitment and Responsibility at their work place and had also taken part in the meeting.

The basic requirement for the meetings was to keep the Commitment and Responsibility presentations, usually held by the manager, and divide a brochure to everyone. It was up to each department to decide whether they would like to have general discussion about it. Figure 4 expresses the results of a multiple choice question. Out of the meetings that had been held, 82% included the presentation. A substantial part of the meetings had included discussion about the topic with co-workers as well as manager explaining the meaning in practice. Brochures were divided in only 42%, but they can have been divided in other occasions as well.

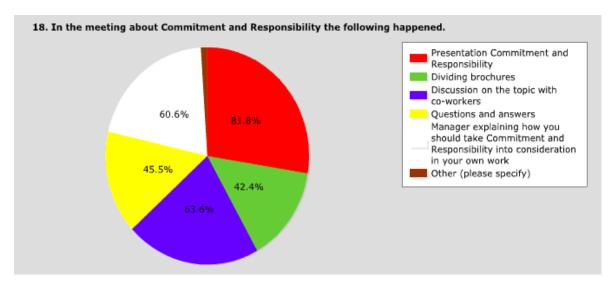


Figure 4: The Meetings

About 60% of the meetings were arranged especially to tell about EHS, whereas in the rest of the cases, the presentation was held together in a department meeting about some other issue. Out of the respondents that had taken part in an informative meeting, a strong majority agrees on having had enough information about the topic. A few of the meetings had been held in another than the respondents mother language, and it can be, that some meetings have been held in own language, but the presentation has been in another language. A round half of the meetings was held by the manager.

Talking about environment, health and safety has raised opinions and been conflicting at some sites, but it can be a good thing since it raises questions and ideas. Taking emotions along with the message makes it re-memorable. Managers or other people who kept the informative meetings would've needed more information about the subject to support their presentation and the ability to answer questions.

It is always better if the material and presentations are held in own language of the employee. The material was translated in 9 languages to fit as many local needs as possible. Translating to all languages from the same basic text doesn't work in all languages.

There were a few comments that reflected the wish to have more material about how to talk about the Commitment and Responsibility. They experienced problems in bringing the message down to what it really means for employees. Also the way to tell about it to the customers was unclear for many. Facilitating the change would've needed more support on practical level. Besides the case examples the material didn't include information about how to use the information in practice with clients and at work.

## 4.3.3 Managing the roles and responsibilities

Out of all respondents to who Commitment and Responsibility has been familiar (54), 21 don't name themselves as having been responsible for delivering information in their organization about the concept. The rest, 33, have in general been responsible for more than one task. The responsibilities that there has been can be seen in the following list in figure

### Which responsibilities did you have in the communication process?

|  | Percentage  | Count |
|--|-------------|-------|
| Arranging a departmental meeting where to tell about Commitment and Responsibility.                          | 22.2%       | 12    |
| Keeping the presentation in the meeting about Commitment and Responsibility.                                 | 20.4%       | 11    |
| I received an information package about Commitment and Responsibility from the<br>Communications department. | 37%         | 20    |
| Forwarding the information material about Commitment and Responsibility in my organization.                  | 48.1%       | 26    |
| Collecting feedback about the subject in my organization.  | 22.2%       | 12    |
| Telling about Commitment and Responsibility to my colleague that couldn't attend the meeting.                | 24.1%       | 13    |
| I haven't been responsible for distributing information about Commitment and Responsibility.                 | 38.9%       | 21    |
|  | Respondents | 54    |

Figure 5: Managing the roles and responsibilities

When asked about the clarity of responsibilities as in the figure 6, the ones who knew they were responsible for distributing information, most agree on having had clear responsibilities. The instructions haven't been clear for some of the respondents, as 25% disagree to some extent about the instructions being clear. As mentioned also in the open comments, some sites have had difficulties in fulfilling their responsibilities in time, but the majority has had enough time. The work load has been too big for some respondents, but mostly it has been ok.

|  | I<br>strongly<br>disagree | I<br>disagree | I<br>slightly<br>disagree | I<br>slightly<br>agree | I<br>agree | I<br>strongly<br>agree | Respondents |
|--|---------------------------|---------------|---------------------------|------------------------|------------|------------------------|-------------|
| My responsibilities were clear                     | 0%                        | 6.1%          | 9.1%                      | 9.1%                   | 54.5%      | 21.2%                  | 33          |
| The deadlines were appropriate, I had enough time. | 3%                        | 9.1%          | 9.1%                      | 18.2%                  | 48.5%      | 12.1%                  | 33          |
| The amount of work I had was not too big.          | 3.1%                      | 9.4%          | 15.6%                     | 12.5%                  | 46.9%      | 12.5%                  | 32          |
| I received clear instructions about what to do.    | 3%                        | 9.1%          | 12.1%                     | 9.1%                   | 48.5%      | 18.2%                  | 33          |
|  |                           |               |                           |                        |            | Total                  | 33          |

Figure 6: Managing the roles and responsibilities

There has been unclarity between the responsibilities of the HR, Communications officers, local site organizations, and marketing communications about who should do what. It was up to the local communication officers to divide the tasks inside their own organizations. Possibly they didn't quite understand the importance of their role in the information flow.

All in all the responsibilities were handled responsibly, and the information went forward in the organizations. The problems were mostly related to not being ready on time, having confusion in the roles and responsibilities between departments, and not getting the information needed- in own language at least.

Feedback system was not an effective one, or even non-existing. In the distribution process, after forwarding the information it wasn't made sure if the information or the material was received.

### 4.3.4 Awareness

There is a wide awareness of the Commitment and Responsibility concept in the SMC Organization. As it can be seen in the results in figure 7, 72% of the respondents have seen or heard about the concept and only about 16 percent hesitate not having seen or heard about it. EHS is still known by almost all respondents. There is more superficial information about the Commitment and Responsibility than there is understood information, but over half have agreed on understanding what the concept means.

|   | I<br>agree. | I<br>slightly<br>agree | I<br>slightly<br>disagree | I<br>disagree | I'm not<br>sure. | Respondents |
|---|-------------|------------------------|---------------------------|---------------|------------------|-------------|
| I have seen or heard about Commitment and Responsibility at SMC.  | 71.9%       | 12.5%                  | 4.7%                      | 4.7%          | 6.2%             | 64          |
| Commitment and Responsibility- concept is familiar to me.         | 59.4%       | 23.4%                  | 10.9%                     | 4.7%          | 1.6%             | 64          |
| I have seen or heard about SMC Environment,<br>Health and Safety. | 87.5%       | 6.2%                   | 4.7%                      | 0%            | 1.6%             | 64          |
| Total   |             |                        |                           |               |                  |             |

Figure 7: Awareness of Commitment and Responsibility

The brochure is most known if the communication channels that were used. All other communication channels have been seen by over half of the respondents, except the video, which was familiar to only 20 percent of the respondents. The figure 8 presents the breakdown of different communication channels' popularity.

### Have you seen or heard the following?

|   | Yes, I have. | No, I have not. | I'm not sure. | Respondents |  |  |
|---|--------------|-----------------|---------------|-------------|--|--|
| Brochure Commitment and Responsibility                  | 75.8%        | 19.4%           | 4.8%          | 62          |  |  |
| Sticker Commitment and Responsibility                   | 59.7%        | 37.1%           | 3.2%          | 62          |  |  |
| Video Commitment and Responsibility                     | 21%          | 71%             | 8.1%          | 62          |  |  |
| Presentation Commitment and Responsibility              | 56.5%        | 40.3%           | 3.2%          | 62          |  |  |
| Interaction article about Commitment and Responsibility | 54.8%        | 32.3%           | 12.9%         | 62          |  |  |
| Intranet page Commitment and Responsibility             | 56.5%        | 27.4%           | 16.1%         | 62          |  |  |
| Total   |              |                 |               |             |  |  |

Figure 8: The popularity of communication channels

The respondents were asked to evaluate how informative they would say that the different communication materials have been. The amount of information has been reasonable and there are only few respondents who have hoped for more or less information in the material.

## 4.3.5 Understanding the message

The respondents answered to an open question about how they have understood the message. It means different things to different people. Many of the comments reflect responsibility about own actions: "Considering of all the consequences of my actions, safety and environmental." And "I will do what I say I will do." Commitment and Responsibility is also understood as an effort of team spirit: "That in everything we do we care about our environment and people". For the employees it also means that they can trust in their employer caring about them: "It lets me know that when I care about my and others safety and environment, I will have Sandvik's support and back up to support me." Both commitment and responsibility are also seen as personal and organizational change in attitude towards EHS issues: "It is our philosophy when it comes to EHS." and : "It goes hand in hand with our core values, team spirit – open mind- fair play."

The question about who should know about Commitment and Responsibility, aimed in finding out whether the respondents have understood that Commitment and Responsibility

is for everyone or do they see it more as "someone else's business". Because the question had multiple answers, many departments have been chosen, but 90% have also answered that it's important for all of the departments.

### 4.3.6 Interest towards EHS issues

EHS and Commitment and Responsibility are interesting subjects to the respondents. Two thirds think that EHS topics are very interesting and roundly the same amount want to hear more about the work that EHS does in their respective organizations. Only three respondents out of 53 didn't agree on the statement" I think that it's very important for all SMC employees to be interested about EHS issues", which reflects the point that the majority knows that it's about everyone putting their own effort in making the work environment better and being socially responsible. There is an interest to improve working towards EHS goals that can be seen from the results. Although the results show a fairly strong interest towards EHS issues and would like to know more about it, less than half have asked their manager to provide them more information on the subject.

If employees don't communicate their interest to know more, the managers might think that they are satisfied and don't try to search for more information. In this it's important for the manager to be easily approachable in order for the subordinates to get the message to the manager.

70 percent of all respondents are very interested or interested to know more about Commitment and Responsibility. 22, 6 percent is slightly interested. There is interest to find out more about case studies, such as the ECO Garden in India, global projects and victories, other sites' problems in order to know how to avoid them, success stories and good examples. For managers ways to strengthen the information going out to their employees would be handy. For PR and sales people it's important to get the facts right for the promotion to be correct. Having the best information about EHS work at SMC helps in making the promotion increase the brand awareness of the company, which is a competitive advantage. The repetition is important. "Everything has been ok so far, but as the days pass by, not all remember the commitment"

Knowing where to look for the information that is needed is an important skill today. In work environment the source of information is usually the manager. However, the EHS issues aren't usually well known by the manager, but someone else who is responsible for the practicalities concerning EHS implementation in each organization. For the success of environment, health and safety goals to be understood it's good to have one person who could be approached with the EHS questions. According to the results, 74% of the respondents strongly agree or agree with knowing who they would contact if they wanted to do EHS questions. The rest were hesitant or didn't know at all who they would contact, so there is a communication gap.

There is a contradiction with wanting to know more and being active in asking for the information. 75% know who to ask about EHS issues, and 17% have asked about EHS issues from their managers, but still 66% say that would like to have more information.

A lot of interest in Commitment and Responsibility as well as EHS can be found among the employees and there are many who would like to have more information. More information is hoped about how to adapt new information in their work and how to tell about it to the customers.

# 5. Analysis

The focus of the analysis is on three points. First, evaluation of the success in the internal communication process is needed. Second, the communication gaps are recognized. Third, the suggestions for development are presented.

## 5.1. Realization of the goals

In the case Commitment and Responsibility the main objectives were to find out which ways the employees have been informed about the concept Commitment and Responsibility and how well the employees are aware of Commitment and Responsibility concept. By looking at the information that's received from the study data, it's possible to analyze the functionality of internal communication in the SMC organization.

The way to evaluate the communications is to compare the results to the goals that have been set in the beginning of the process. The goals that were set for the Commitment and Responsibility internal communication phase are found in the communication plan (Appendix 2: Communication plan). The goal statement has been divided into pieces to make it more easily comparable with the survey results.

"The overall goal is to communicate the EHS message and information regarding the new concept to facilitate the change in the best way"

The information material has spread throughout the organization. There has been variability in the success of it in different sites, but all in all, most organizations have in one way or another spread the message in their organizations. Communications is a tool in assisting organizational change to happen and this is also the communications' task in this case. There is still need for improvement in many sites.

"Secure that people have understood the change and act thereafter."

'Walk the talk' is an expression that is used repeatedly in the EHS intranet's Commitment and Responsibility discussion forum. It is used to say that the organization needs to do what it says to be doing. Bringing the promises into action is an important part of making the message believable. If Sandvik says it's working hard to improve figures in this area, then it should really do this. The actions have already been taken by the company, and are been done more all the time. What's always difficult is to have employees understand that EHS is everyone's work and not "someone else's business". This is something that takes place through the organization culture. It can't yet be seen whether the EHS message has affected in the way of working on sites, but this is something that can be studied in the future. Asking for feedback wasn't part of the communication plan, which would've been needed to secure the understanding.

"To open up for dialogue and inspire the organization to sharing information and best practice cases."

It can be seen that there is a change in the amount of discussion about EHS issues after intensifying the communications with the help of Commitment and Responsibility concept. 55% of the respondents that knew the concept had discussed about the EHS issues with their manager last time less than a month ago and 74% with their co-workers, as shown in the figure 9. The change is obvious compared to previous months. Intranet discussion forum was opened to ease the dialogue and discussion about the EHS issues, but it hasn't been used much, which was a lack in the goal implementation.

The time limit was 3 months for the distribution of information and material internally. The project had already been planned to be started in 2009, but this schedule was one year late, because of the problems with deciding the name for the concept. This might have created pressure for the communications department.

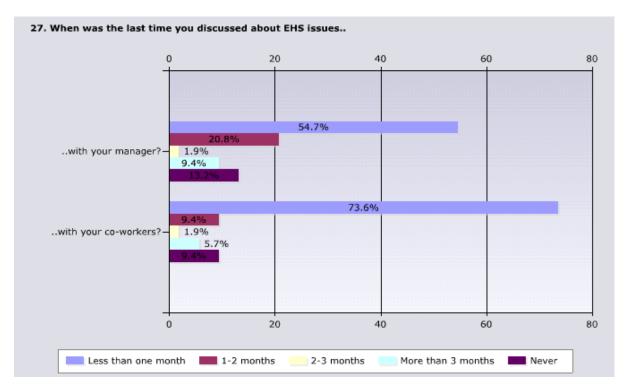


Figure 9: Discussion about EHS issues (Appendix 1: Survey Results)

Based on the study results, we can make an observation about increased communication about EHS issues throughout the organization. This means, that the main objective, to increase communication, has been reached. When this objective is broken down to smaller parts, we can see that there are still points where the communications could be improved.

# 5.2 Communication gaps

The Communication gaps that were found in the Case Study of Commitment and Responsibility are presented in the SWOT analysis. There are internal as well as external factors that have influenced or will influence the communication of Commitment and Responsibility concept in the future.

| Internal   | External  |
|--|---|
| Strenghts  | <u>Possibilities</u>  |
| <ul> <li>The amount of discussion about EHS issues has increased</li> <li>Attitude towards EHS is positive</li> <li>There is interest in knowing more about EHS and Commitment and Responsibility</li> <li>Attitude in the organization towards EHS issues</li> <li>Management support on the issue!</li> </ul>  | <ul> <li>Social network</li> <li>Personnel gallery in intranet</li> <li>The Commitment to EHS issues grows as the concept is informed to external stakeholders (a promise)</li> <li>Modernization of intranet</li> <li>More resources for EHS would give a possibility to take up more EHS related work (time especially).</li> </ul> |
| Weaknesses   | Threats   |
| <ul> <li>Meetings weren't held in all organizations- no possibility to do questions and answers</li> <li>Managers would've needed a better introduction to the subject</li> <li>Only 75% received the brochure instead of 100%</li> <li>Feedback system didn't exist in local sites</li> <li>Intranet discussion forum hasn't been as popular as hoped</li> <li>Time limit couldn't be reached</li> <li>Organization of the tasks</li> </ul> | <ul> <li>The challenge of implementing the continuous communications</li> <li>Employees forget the received information</li> <li>"Walk the talk" – How to convert the information into action?</li> <li>How to tell about the concept to the customers?</li> </ul>  |

Table 1: SWOT Analysis Commitment and Responsibility Communications

## Strengths

There were many positive results in the employee survey. There is receptiveness in the organization meaning that there is interest to know about new decisions that the company has done and the employee are curious to know what will happen next. However, the subject is of such nature, that it might raise suspicion and disbelief in the actions that the company is willing to do towards sustainable development. A factor that affects the interest go down is that this requires effort from everyone, and extra work isn't normally welcome. Sales organizations would like to know how to tell about the EHS and Commitment and Responsibility work to customers

#### Weaknesses

There hasn't been as much meetings held in the organizations as targeted. This can be seen in the study results, where many respondents hope that they could take part in a discussion about this subject. Raising the discussion in intranet forum didn't work well, because there aren't many discussion forums in the intranet and the employees aren't used to use forums in the intranet. There were mixed understanding about the responsibilities, thus, more structured instructions would be needed from the global communications to the communications officers and local sites.

#### **Possibilities**

There are possibilities to improve the further communication about Commitment and Responsibility in the future. The general development of communication channels towards a more interactive, easily accessible and interesting way would help all communications. Raising resources for updating the information in the intranet and internet would improve the usability of the intranets. Bringing social media to the internal communication will benefit the spontaneous communication and makes it easier to send short messages with a not-that-significant message. Still, whether it will help the decentralization problems isn't sure, since according to studies about Facebook, the users most often talk in the social networks with people that they see daily.

#### **Threats**

The Commitment and Responsibility communications should be continuous and be repeated more frequently. There is no plan for the implementation of this goal yet, so that plan needs to be created. It is a concern for the employees and especially the sales personnel that are in contact with the customers that they're not sure how to communicate about the EHS work to the customers. There is also doubts towards the importance of this EHS message, because there hasn't been clear instruction about how to convert these promises into action. Creating another campaign about these two problems could help in the realization of EHS work.

In the following figure a communication gap can be noticed in the way of communication. While the brochure was set as one of the main communication channels for the Commitment and Responsibility campaign and holding the meetings were optional, this chart shows that the employees prefer the interactive way of communication. Only 23% think that receiving a brochure is important for communications, whereas 50% of the respondents think that having the possibility to do questions and answers is the most important.

# In my opinion, when informing employees about a similar subject, it is important to..

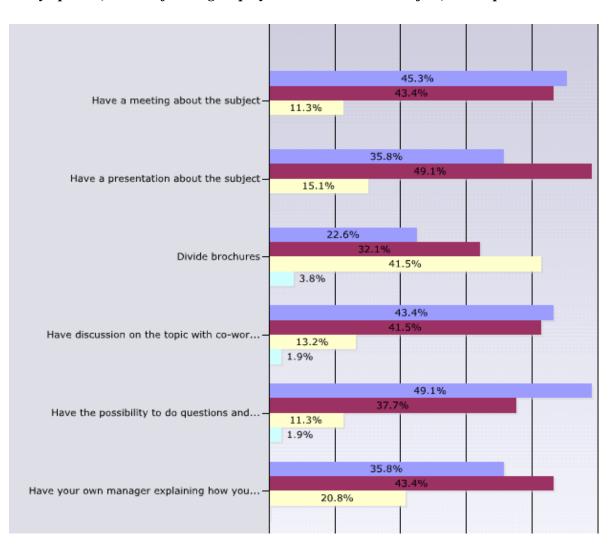


Figure 10: Communication preferences (Appendix 1: Survey results)

# 5.3 Critical points

# The regional variation

Multiculturalism is a challenge for SMC communication. The organization consists of cultures, languages, habits and attitudes that aren't easy to communicate to in the same ways. When creating global guidelines or tools of communications it's crucial to understand the prevailing conditions and the background of the employees all over the world in order to create effective communication channels that can be fitted into the local needs.

The gap between developing areas and western countries grows all the time. While regions in western countries are moving towards post modern information technology and moving away from traditional techniques, the developing areas are still not on the basic level of communication in the traditional level. The greatest differences are in the ability to read, knowing other languages than your own and the computer skills. The amount of computers for the workers can be low, meaning a lower accessibility to the most popular SMC communication channels such as intranet and e-mail. The developing areas in SMC are located in the Asian, African and Latin American countries, and partly CIS area, although there might be great areal variation inside one region.

Clearly, the communications is most effective when it's on the local language. Videos should at least have subtitles. The real challenge is in the regions, where a common language is not easily recognizable, such as India or Africa. The employees might not even know the official local language well, if their raising and teaching has been in another language. In these cases, face-to-face communication is even more important.

#### Intranet

The intranet has been set as the primary communication channel in SMC. Communications via intranet doesn't seem to access all the employees, so it's important that communications in the developing areas doesn't rely only on the intranet, but is supported by other means of communications, such as newsletters. Also the different audiences inside the organization that are at least production area, workshop, administration and sales and jobsites create the

need for alternative communication channels. There is no one way to communicate to all of them. Workers at job sites and production plants don't use e-mail and intranet as much as employees sitting in the offices.

#### Decentralization

In the case of SMC and in the case of Commitment and Responsibility we could talk about geographically decentralized organization structure. The people that work together are located far away from each other, and the work is done through electrical and cooperative system tools. There are language, culture and time differences between the members of the team. Decentralization creates many problems, and in the case of Commitment and Responsibility communication the most visible is the coordination, that hasn't reached all participants. There are people in the communication process that haven't been aware of their tasks. The own role as well as the coworkers' roles and responsibilities aren't clear.

## Attitude

Budget reflects the attitude of management. Budget is a common critical factor. It influences the success of any project and by changing the locations where it's pointed to, or the amount of budget, can change direction to either positive or negative side. It also tells about how important the management thinks the objective is. The management should reflect the priorities set in the organization through making it possible to realize the objectives.

The attitude of the receiver of information decides how the message is understood. The attitudes in organizations can be individual attitudes, but also shared in work communities. The organization culture is a result and also a reason of attitudes. If the receiver has a positive attitude, the message is listened to or read about in a careful manner, and the positive thoughts re-enforce the good ideas in the message. On the other hand, a negative attitude makes the information receiving process undesirable and the message is given a negative color no matter what it is about. For this reason, having a positive attitude in the work environment makes it easier to communicate.

# 5.4 Development plan

The following methods are presented to give ideas on how to improve the internal communications in the SMC organization.

*Social media* offers a lot of possibilities. It is hard to know how users would like to connect the use of social media with intranet without implementing tests about that. It's also difficult to know how managers draw profit out of using them, because there aren't many examples of heavy machine industry companies who had successfully used social media as a part of their business operations or at least in internal communication.

The possible advantages that are gotten from the use of social media could be the increased amount of interactive communication and having more contacts available. Feedback is essential in the communications to get the message from down level to the top as well, and in this, the social network could be useful.

**Personnel gallery** in the intranet is one solution to decentralized projects, especially if there is no social network tool available. It has pictures of the people and an informing text about their tasks as well as their free time interests. They are located in the intranet according to the task areas meaning that marketing people are under marketing etc.

Multichannel approach means that the more communication channels and of different types there are available, the better the message gets through. The communication channels are divided in face-to-face, written and electrical. When the message comes from all these channels, it's easier to take it in. The communication channels are chosen on the basis of target group, timing and the subject of issue, but also the other way around. Sometimes the message changes according the context that the communication channel gives to it. In SMC intranet is seen as giving the most reliable information, but face-to-face is the most effective communication tool (Appendix 3: Communication Channels Summary).

Regardless of the effectiveness of communication channel in use it is a fact that people forget. *Repetition* needs to be a part of the communication in order to strengthen the message. The message also needs to be well defined so that it fits the communication channel in use. To maximize the effectiveness of the process, the communication habits of different target groups should be known. A more specific survey on the local levels would clear out what channels are especially used in different locations.

## Managing a decentralized organization

The *coordination* of work in decentralized work groups requires some different techniques than in the local organizations. A decentralized work group should have a **contract** that has preferably been drawn up together by all members of the group or project. This contract should have a clear mentioning about the tasks, mission, vision, strategy and tasks. Whether this contract has been written together with the communication officers or not, it should be accepted by them before putting the plan into action from the top level. The plan could be sent to the communication officers for acceptance, and in this stage they could say their opinions about the budget, time limits, and all in all, if the plan can be executed by them.

Having *sub goals* in a project is a good way to make the monitoring of the performance easier. It also helps in managing the workload by dividing the work load into smaller pieces, which makes the work load seem smaller and more easily achievable.

For the plan to work out it's very important to *monitor* the realization of the plan. This can be done with the help of getting feedback and after that giving feedback, positive and negative. Also, in order to keep the goal clear, the informing should be done more often than in normal local work conditions, where unplanned spontaneous talking gives a lot of this information. The psychological support is also very important, since asking help is not as easy through e-mail and phone as in person, already because of the fact that it's not always clear who could help with the problem.

*E-mail* is often a problem in global decentralized projects. Because there are so many short minor mails, they get lost and they are seen as spam. Because of the flood of e-mails, e-

mail wasn't seen as an effective communication tool. E-mail rules within groups could help in this. Having a personnel gallery in the intranet would be a good suggestion, since then, it would be easier to find the right person to contact.

Clearing the *responsibilities* of communication officers and other site responsibles would is a matter of communication on the local levels. It seems that local employees wait for instructions from the local managers and communications personnel, whereas they wait for instructions from the global communication department. The own proactiveness towards communications would be profitable. It is in the company culture, that employees don't often do more than they are required and if someone else can do their extra task, it's given to the other person.

## Encouraging the management

The role of the management is very important, since the manager can determine the importance of issues in the organization. The manager shows example, which can either be positive, encouraging and inspiring or negative and discouraging. The level of interest and dedication the management has creates an atmosphere for working. In the role of management the communications skills are emphasized.

"Management, it is said, is getting work done through others" (Aronoff, Baskin, Hays & Davis 1981, 4). If the manager wants that the work is been done, then it must be effectively and correctly communicated with those through whom the work is been done.

Manager knows the organization and should plan the message to be given on the basis of the employees. Manager should give them a purpose for listening and understanding the information. This is an essential motivating factor. The manager should motivate employees towards the goals that the organization has set for it and give them a meaning to why they should take the subject into consideration by adapting it to the local work environment and tasks.

*Proactive procedures* can be taken in the managerial meetings in order to find out solutions for the communication that the manager needs to do (Juholin 2008, 94). It would be good to discuss about the ways in which each issue in question could be communicated in the

organizations. In this way the manager would get ideas from others to make it easier to spread the message to the employees.

If everyone's waiting for instructions from the top level, which in this case would be the local communication officers or the communications department, they need to also be able to get the message from down to top. A working feedback system would be essential here, since as mentioned by the communication officer, SMC doesn't really have a working feedback system. When the concern is too small, sending an e-mail or calling might feel too important. Then again, posting a feedback in the intranet usually concerns a commenting a news article or then it's a comment that everyone can see. When the manager gets feedback from the organization, it's easier to direct the help to the right direction.

# 5.5 Conclusion

As a conclusion it can be said that whereas the internal communications at the moment works very well in some places, there are places where it doesn't work at all. Although it's important to move towards the modern communication model in order to keep up with the competitors and the development, the biggest reason for the problems in SMC Communications is the fluctuation between different locations and functions. It seems to be as important to take care of the basic level of communication in places where it doesn't work than it is starting to develop modern communications, which can only create a greater gap between the educational and cultural differences between locations in SMC. It seems to be impossible to have all the regions and segments of the multinational company in the same line as it comes to communication, but finding the critical points and improving them to the basic level is crucial.

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# 8. Appendices

# Appendix 1: Commitment and Responsibility Employee Survey Results

Questions:

A) Back ground information on the respondents

# 1. Where are you located?

7,5% Australia

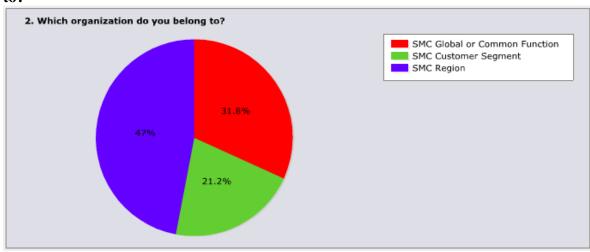
7,5% China

16,4% Finland

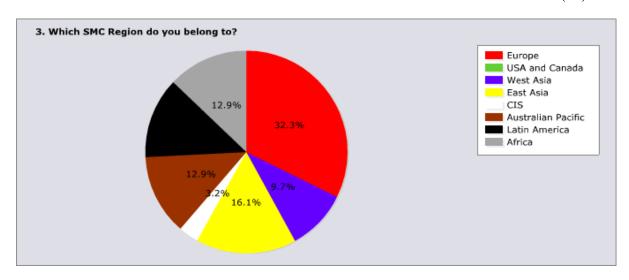
10,4 South-Africa

17,9 % Sweden

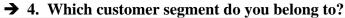
# 2. Which organization do you belong to?

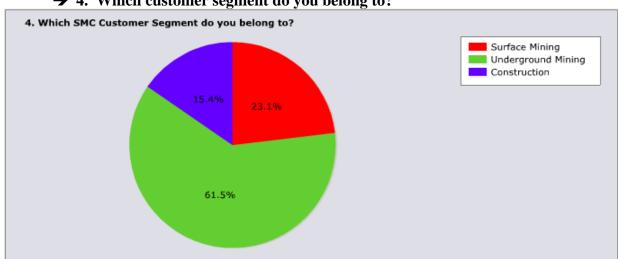


→ 3. Which region do you belong to?



SMC Customer Segment 21,2%

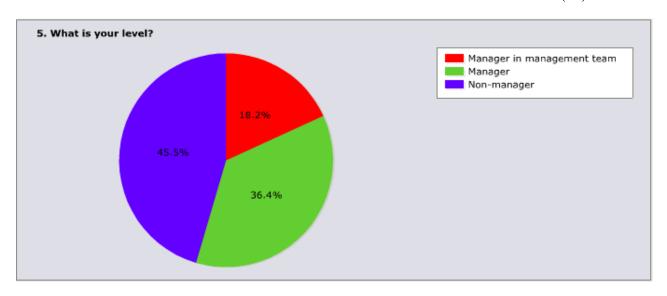




Respondents 13

Global or Common function 31,8 %

# 5. What is your level?



Manager in management team 18.2% 12

Manager 36.4% 24

Non-manager 45.5% 30

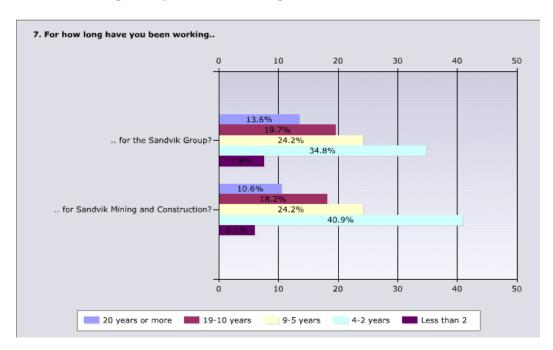
Respondents 66

# 6. In which department/area do you work?

|                                | Percentage  | Count |
|--------------------------------|-------------|-------|
| Administrative Support         | 0%          | 0     |
| After Market                   | 9.1%        | 6     |
| <b>Business Development</b>    | 0%          | 0     |
| Communication                  | 10.6%       | 7     |
| Environment, Health and Safety | 1.5%        | 1     |
| Finance                        | 7.6%        | 5     |
| Human Resources                | 10.6%       | 7     |
| Legal                          | 0%          | 0     |
| Logistics                      | 6.1%        | 4     |
| Maintenance                    | 6.1%        | 4     |
| Production/Supply              | 7.6%        | 5     |
| Quality                        | 1.5%        | 1     |
| Research & Development         | 0%          | 0     |
| Sales & Marketing              | 27.3%       | 18    |
| Sourcing/Purchasing            | 1.5%        | 1     |
| Other (Please specify)         | 10.6%       | 7     |
| R                              | Respondents | 66    |

& Commercial Business Infrastructure Business Infrustructure Communication Data clerk IT marketing Marketing & Communication Sandviken Service Supply Chain

# 7. For how long have you been working for..

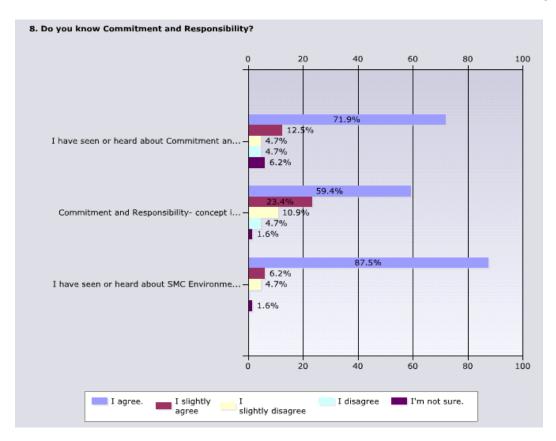


# B) Commitment and Responsibility recognition

The awareness of Commitment and Responsibility was studied with

|   | I<br>agree. | I<br>slightly<br>agree | I<br>slightly<br>disagree | I<br>disagree | I'm not<br>sure. | Respondents |
|---|-------------|------------------------|---------------------------|---------------|------------------|-------------|
| I have seen or heard about Commitment and Responsibility at SMC.  | 71.9%       | 12.5%                  | 4.7%                      | 4.7%          | 6.2%             | 64          |
| Commitment and Responsibility- concept is familiar to me.         | 59.4%       | 23.4%                  | 10.9%                     | 4.7%          | 1.6%             | 64          |
| I have seen or heard about SMC Environment,<br>Health and Safety. | 87.5%       | 6.2%                   | 4.7%                      | 0%            | 1.6%             | 64          |
| Total   |             |                        |                           |               | 64               |             |

# 8. Do you know Commitment and Responsibility



|   | I<br>agree. | I<br>slightly<br>agree | I<br>slightly<br>disagree | I<br>disagree | I'm not<br>sure. | Respondents |
|---|-------------|------------------------|---------------------------|---------------|------------------|-------------|
| I have seen or heard about Commitment and Responsibility at SMC.  | 71.9%       | 12.5%                  | 4.7%                      | 4.7%          | 6.2%             | 64          |
| Commitment and Responsibility- concept is familiar to me.         | 59.4%       | 23.4%                  | 10.9%                     | 4.7%          | 1.6%             | 64          |
| I have seen or heard about SMC Environment,<br>Health and Safety. | 87.5%       | 6.2%                   | 4.7%                      | 0%            | 1.6%             | 64          |
| Total   |             |                        |                           |               | 64               |             |

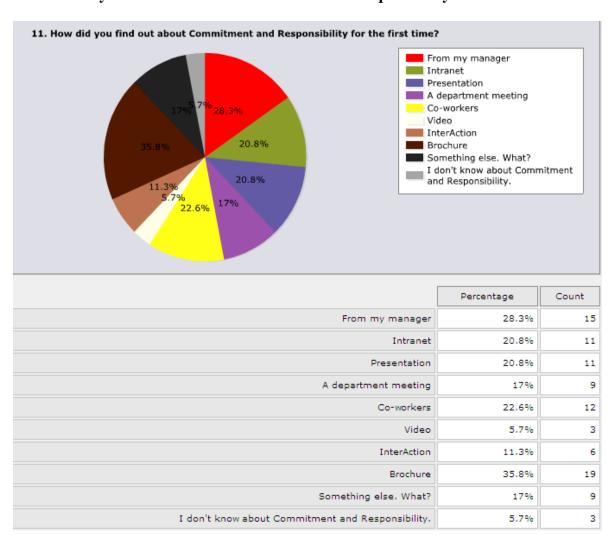
# 9. Have you seen or heard the following?

|   | Yes, I have. | No, I have not. | I'm not sure. | Respondents |
|---|--------------|-----------------|---------------|-------------|
| Brochure Commitment and Responsibility                  | 75.8%        | 19.4%           | 4.8%          | 62          |
| Sticker Commitment and Responsibility                   | 59.7%        | 37.1%           | 3.2%          | 62          |
| Video Commitment and Responsibility                     | 21%          | 71%             | 8.1%          | 62          |
| Presentation Commitment and Responsibility              | 56.5%        | 40.3%           | 3.2%          | 62          |
| Interaction article about Commitment and Responsibility | 54.8%        | 32.3%           | 12.9%         | 62          |
| Intranet page Commitment and Responsibility             | 56.5%        | 27.4%           | 16.1%         | 62          |
|   |              |                 | Total         | 62          |

# 10. How informative do you think was..

|   | Too much information. | Good amount of information | Not very informative. | Not at all informative | I haven't<br>seen it | Respondents |
|---|-----------------------|----------------------------|-----------------------|------------------------|----------------------|-------------|
| Brochure Commitment and Responsibility                        | 5.7%                  | 67.9%                      | 15.1%                 | 1.9%                   | 9.4%                 | 53          |
| Video Commitment and<br>Responsibility                        | 1.9%                  | 21.2%                      | 5.8%                  | 1.9%                   | 69.2%                | 52          |
| Presentation<br>Commitment and<br>Responsibility              | 5.7%                  | 56.6%                      | 9.4%                  | 0%                     | 28.3%                | 53          |
| InterAction article about<br>Commitment and<br>Responsibility | 3.8%                  | 55.8%                      | 9.6%                  | 0%                     | 30.8%                | 52          |
| Commitment and<br>Responsibilty Intranet                      | 5.9%                  | 60.8%                      | 3.9%                  | 3.9%                   | 25.5%                | 51          |
|   |                       |                            |                       |                        | Total                | 53          |

# 11. How did you find out about Commitment and Responsibility for the first time?



# 12. Which department's/area's employees should know about Commitment and Responsibility?

|                              | Percentage  | Count |
|------------------------------|-------------|-------|
| Administrative Support       | 15.4%       | 8     |
| After Market                 | 17.3%       | 9     |
| Business Development         | 17.3%       | 9     |
| Communication                | 17.3%       | 9     |
| Environment, Health & Safety | 19.2%       | 10    |
| Finance                      | 15.4%       | 8     |
| Human Resources              | 17.3%       | 9     |
| Legal                        | 15.4%       | 8     |
| Logistics                    | 19.2%       | 10    |
| Maintenance                  | 19.2%       | 10    |
| Production/Supply            | 19.2%       | 10    |
| Quality                      | 19.2%       | 10    |
| Research & Development       | 15.4%       | 8     |
| Sales & Marketing            | 19.2%       | 10    |
| Sourcing/Purchasing          | 13.5%       | 7     |
| All of the above.            | 90.4%       | 47    |
| Other. Please specify who?   | 5.8%        | 3     |
|                              | Respondents | 52    |

 $13. \ In \ your \ own \ words$  please explain shortly what Commitment and Responsibility in SMC means.

#### 13. In your own words, please explain shortly what Commitment and Responsibility in SMC means.

■ Open responses (1-38)

#### Response

\_

- SMC has done great work over the past year in improving EHS, but until now, we have not communicated that to externals
- Commitment and responsibility can be found everywhere and goals can be defined individually for each position. SMC aims at good working conditions for their employees and feels responsible for that as an employer. This refers to saftey, health, the environment and also relfects on our products

Acting with integrity in the EHS area in all situations

Att var och en ansvarar för att vi har en säker arbetsmiljö och att vi fullföljer vårt gemensamma ansvar för miljön

Being Committed to all aspects of EHS both at our sites and when developing our offering. Taking personal responsibility for our own EHS issues and for those in our workteams

#### BETTER LIFE, BETTER ENVIRONMENT

Commitment and Resp at SMC mean to safeguard the environment, value safety and improve health

Commitment and Responsability is an internal campaign that try to explain to the all employees the importance about health, safety and environment. We don't only work for work, we have an initiative to help people around the world, take care the environment with product that reduce CO2, pollution, etc and the real worry about the employee's safety (we want that everyone return back to their house safe)

Commitment and respônsibility are part of the core values of Sandvik

Commitment to our work, envirement and co workers aswell the responsibility to our work, envirement and our co workers

Considering of all the consequences of my actions, safety and environmental.

#### Culture

EHS is one of the most important subjects of 2010 for SMC. In this context, Commitment and Responsibility is the theme that we are using to show the outsiders (other than the employees) that we are sensitive to this subject, I mean the EHS, and organizing, participating any activities in this means.

EHS, Social responsibility, accountability for own actions, responsibility for the environment, people, etc.

Everybodu should be committed to environment, health and safety.

have highly agreement for SMC CORE value

I believe that Sandvik are very committed to the environment and the wellbeing of their staff

I WILL DO WHAT I SAY WHAT I WILL DO

BE COMMITTED TO MY COMPANY-ALWAYS SET A GOOD EXAMPLE TO MY SUBORDINATES AND OUTSIDE THE COMPANY BE RESPONSIBLE - MAKE RIGHT DISCISSION TOWARDS JOBS TO BE DONE, TOWARDS THE CLIENT, MANEGEMENT AND SUBORDINATES

it goes hand in hand with our core values, team spirit - open mind - fair play

It is our phylosophy when it comes to EHS

It is the commintment that Sandvik had with environment, health and safety, developing good practices in that items and showing that to customers, employees and stakeholders

It is the commitment we show and responsibility we all have to environment, health and safety issues.

It lets me know that when I care about my and others Safety & Enviro I will have Sandviks support and backing to assist me.

It means commitment towards creating a sustainable future and caring for our people in respect of health and well being ,safety and environment.

It means that the company is interested in the safty and the enviroment and we have to care that, for us and everyones.

Its SMCs statement about its Environmental, safety, health and wellbeing of committments.

It is also about getting employees/customers to know about their responsibilities in environment,health,wellbeing and Safety issues and getting committed to those responsibilites.

Our behaviour and attitude toward the environment, employees, and life in general.

People are committed to do their work according Sandvik diciplines and get understanding about how their nwork and actions effects bto the business flow from supplier tro the final user. This in quality and money wise. How their individual actions effects also other departments decisions and actions. Also carriy their responsibility up to the final user.

protection of environment, health and safety

Right now it mostly means we are creating a image of SMC as a sustainable company, aware of the world around us and acting for future success.

From there down to exactly where I work, in my daily life - the journey is still quite long

SMC i'ts very interested that every employee takes care of his or her own way of working, living and with the responsability to protect the nature with our daily actions not only at work, also in our personnal life.

SMC, the company and all the individuals that make up the company have the duty to do everything in their power to ensure the health and saftey of their fellow man and their environment

Taking care of environment, health and safety in our buisness

That in every thing we do we care about our environment and people

That means that the company feels responsible itself for the commintments done and takes care about Sandvik employees, customers staff and environment.

That helps a lot for the reputational management and social sustainability.

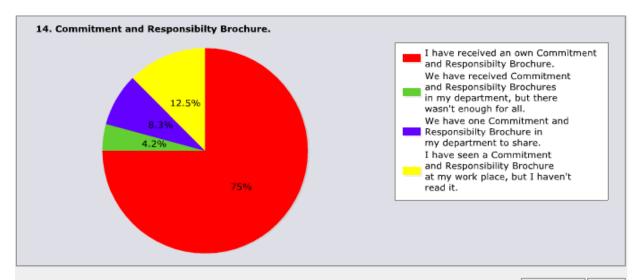
This means that the SMC is taking responsibility not only by providing products with good safety, but also engaged in other activities to ensure that the environment is not damage by the product. SMC is also taking on other responsability such as involment in HIV programs etc.

To be committed to the customer and SMC, to take responsibility for your actions

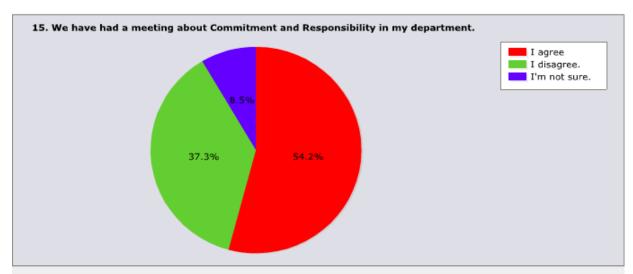
We have a responsibility against our staff, customer and the world around us.

We have our core values - open mind , team spirit and fare play -By using in daily.

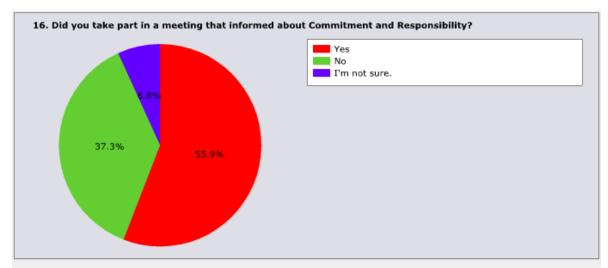
Safety first - To improve safety and health of its products, workplaces and people - to avoid any risks. To avoid any negative invironmental risks - try to reuse & recycle.



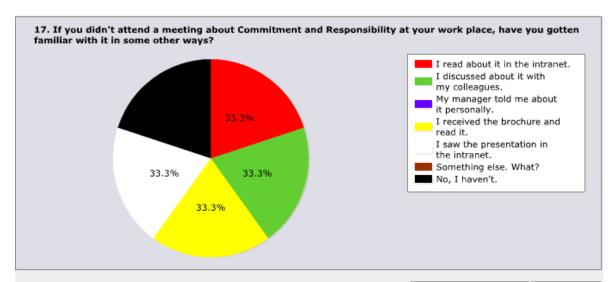
|  | Percentage | Count |  |
|--|------------|-------|--|
| I have received an own Commitment and Responsibilty Brochure.  | 75%        | 36    |  |
| We have received Commitment and Responsibilty Brochures in my department, but there wasn't enough for all. | 4.2%       | 2     |  |
| We have one Commitment and Responsibilty Brochure in my department to share.                               | 8.3%       | 4     |  |
| I have seen a Commitment and Responsibility Brochure at my work place, but I haven't read it.              | 12.5%      | 6     |  |
| Respondents  |            |       |  |



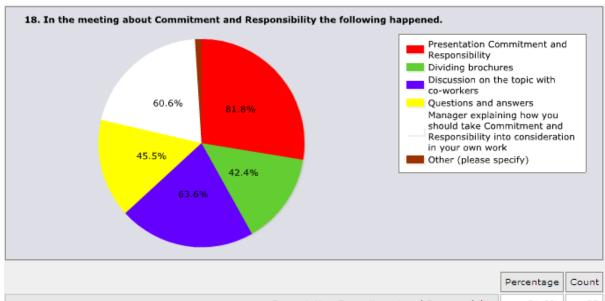
|               | Percentage  | Count |
|---------------|-------------|-------|
| I agree       | 54.2%       | 32    |
| I disagree.   | 37.3%       | 22    |
| I'm not sure. | 8.5%        | 5     |
|               | Respondents | 59    |



|               | Percentage  | Count |
|---------------|-------------|-------|
| Yes           | 55.9%       | 33    |
| No            | 37.3%       | 22    |
| I'm not sure. | 6.8%        | 4     |
|               | Respondents | 59    |



|  | Percentage  | Count |
|--|-------------|-------|
| I read about it in the intranet,         | 33.3%       | 1     |
| I discussed about it with my colleagues. | 33.3%       | 1     |
| My manager told me about it personally.  | 0%          | 0     |
| I received the brochure and read it.     | 33.3%       | 1     |
| I saw the presentation in the intranet.  | 33.3%       | 1     |
| Something else. What?                    | 0%          | 0     |
| No, I haven't.                           | 33.3%       | 1     |
|  | Respondents | 3     |

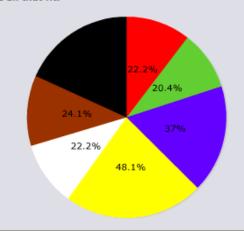


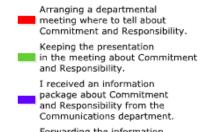
|  | Percentage  | Count |
|--|-------------|-------|
| Presentation Commitment and Responsibility   | 81.8%       | 27    |
| Dividing brochures   | 42.4%       | 14    |
| Discussion on the topic with co-workers  | 63.6%       | 21    |
| Questions and answers  | 45.5%       | 15    |
| Manager explaining how you should take Commitment and Responsibility into consideration in your own work | 60.6%       | 20    |
| Other (please specify)   | 3%          | 1     |
|  | Respondents | 33    |

# 19. My opinion about the meeting.

|   | I strongly<br>disagree | I<br>disagree | I slightly<br>disagree | I slightly<br>agree | I<br>agree | I strongly agree | Respondents |
|---|------------------------|---------------|------------------------|---------------------|------------|------------------|-------------|
| The meeting provided me enough<br>information about Commitment<br>and Responsibility. | 3.3%                   | 0%            | 10%                    | 3.3%                | 73.3%      | 10%              | 30          |
| The Commitment and Responsibility presentation was in my own language.                | 3.3%                   | 3.3%          | 6.7%                   | 6.7%                | 43.3%      | 36.7%            | 30          |
| The meeting was arranged to tell about Commitment and Responsibility only.            | 3.2%                   | 16.1%         | 16.1%                  | 19.4%               | 29%        | 16.1%            | 31          |
| The meeting was held by my manager.   | 10.3%                  | 24.1%         | 6.9%                   | 6.9%                | 27.6%      | 24.1%            | 29          |
|   |                        |               |                        |                     |            | Total            | 31          |







Forwarding the information material about Commitment and Responsibility in my organization.

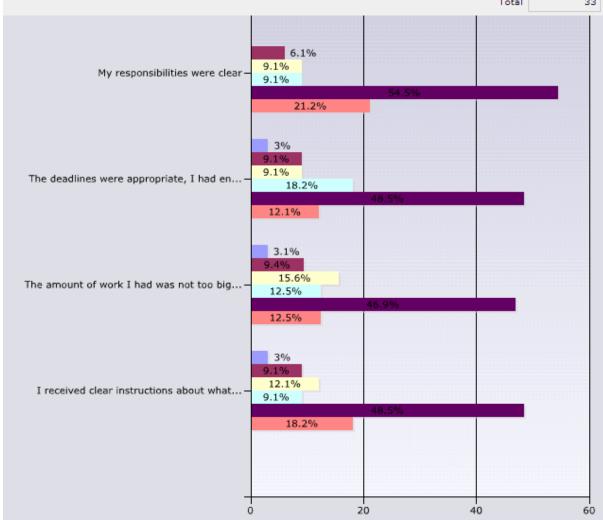
Collecting feedback about the subject in my organization.

. . .

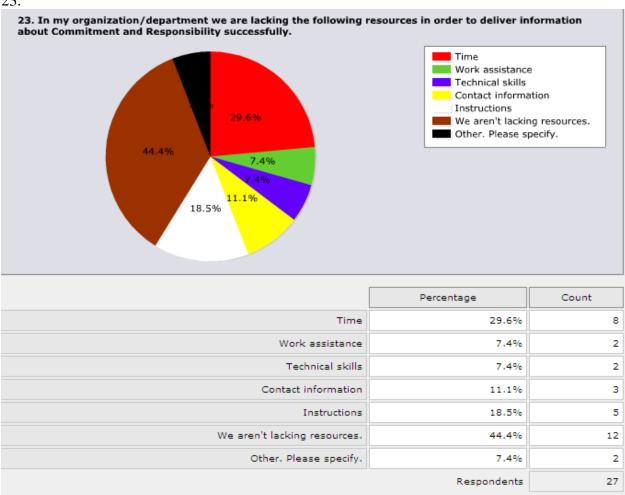
|  | Percentage  | Count |
|--|-------------|-------|
| Arranging a departmental meeting where to tell about Commitment and Responsibility.                          | 22.2%       | 12    |
| Keeping the presentation in the meeting about Commitment and Responsibility.                                 | 20.4%       | 11    |
| I received an information package about Commitment and Responsibility from the<br>Communications department. | 37%         | 20    |
| Forwarding the information material about Commitment and Responsibility in my organization.                  | 48.1%       | 26    |
| Collecting feedback about the subject in my organization.  | 22.2%       | 12    |
| Telling about Commitment and Responsibility to my colleague that couldn't attend the meeting.                | 24.1%       | 13    |
| I haven't been responsible for distributing information about Commitment and Responsibility.                 | 38.9%       | 21    |
|  | Respondents | 54    |



|  | I<br>strongly<br>disagree | I<br>disagree | I<br>slightly<br>disagree | I<br>slightly<br>agree | I<br>agree | I<br>strongly<br>agree | Respondents |
|--|---------------------------|---------------|---------------------------|------------------------|------------|------------------------|-------------|
| My responsibilities were clear                     | 0%                        | 6.1%          | 9.1%                      | 9.1%                   | 54.5%      | 21.2%                  | 33          |
| The deadlines were appropriate, I had enough time. | 3%                        | 9.1%          | 9.1%                      | 18.2%                  | 48.5%      | 12.1%                  | 33          |
| The amount of work I had was not too big.          | 3.1%                      | 9.4%          | 15.6%                     | 12.5%                  | 46.9%      | 12.5%                  | 32          |
| I received clear instructions about what to do.    | 3%                        | 9.1%          | 12.1%                     | 9.1%                   | 48.5%      | 18.2%                  | 33          |
|  |                           |               |                           |                        |            | Total                  | 33          |



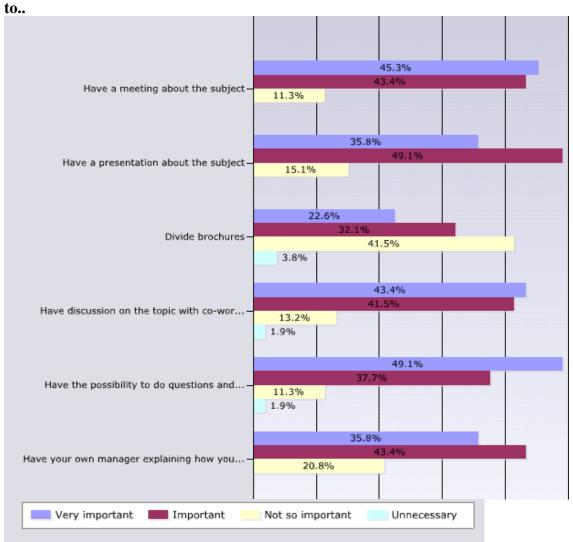
23.



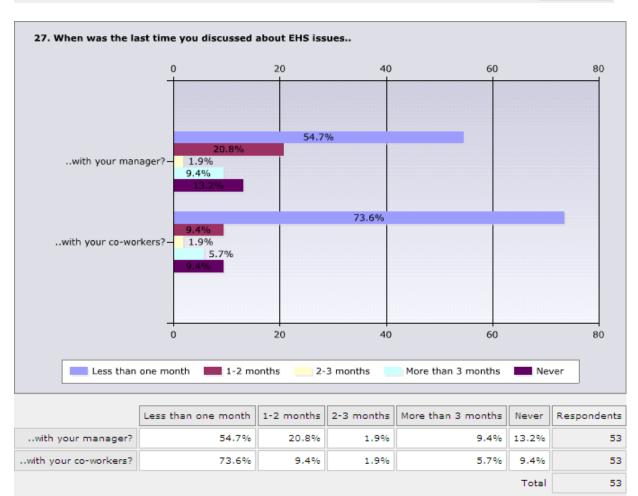
- 24. Open comments about the delivery of Commitment and Responsibility concept at the workplace (removed)
- 25. Comment on environment, health and safety questions.

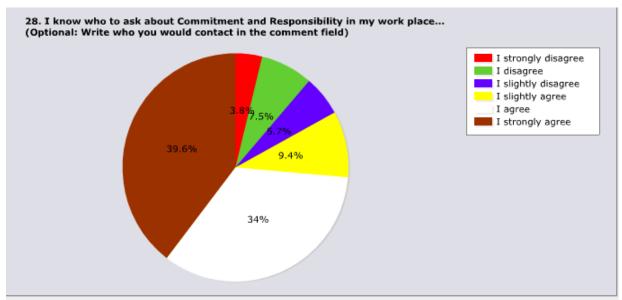
|   | I strongly<br>disagree | I<br>disagree | I slightly<br>disagree | I slightly<br>agree | I<br>agree | I strongly agree | Respondents |
|---|------------------------|---------------|------------------------|---------------------|------------|------------------|-------------|
| I think EHS topics are very interesting.  | 7.4%                   | 3.7%          | 5.6%                   | 14.8%               | 38.9%      | 29.6%            | 54          |
| I want to hear more about the work<br>that EHS sector does in our<br>organization.  | 3.8%                   | 1.9%          | 5.7%                   | 22.6%               | 47.2%      | 18.9%            | 53          |
| I think that it's very important for<br>all SMC employees to be interested<br>about Environment, health and<br>safety issues. | 5.7%                   | 0%            | 0%                     | 13.2%               | 45.3%      | 35.8%            | 53          |
| I would like to know how to improve<br>working towards EHS goals in my<br>own work.   | 3.8%                   | 1,9%          | 7.5%                   | 17%                 | 47.2%      | 22.6%            | 53          |
| I have asked my manager to<br>provide me more information about<br>Environment, Health and Safety at<br>my work place.        | 17%                    | 30.2%         | 15.1%                  | 20.8%               | 9.4%       | 7.5%             | 53          |
|   |                        |               |                        |                     |            | Total            | 54          |

# 26. In my opinion, when informing employees about a similar subject, it is important to

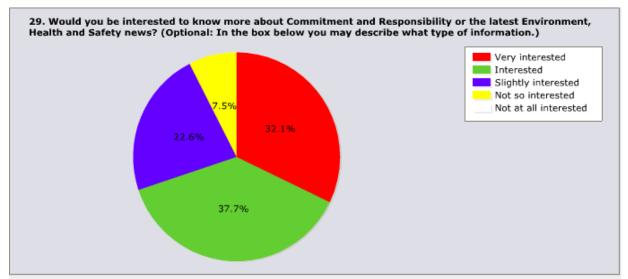


|  | Very<br>important | Important | Not so<br>important | Unnecessary | Respondents |
|--|-------------------|-----------|---------------------|-------------|-------------|
| Have a meeting about the subject   | 45.3%             | 43.4%     | 11.3%               | 0%          | 53          |
| Have a presentation about the subject  | 35.8%             | 49.1%     | 15.1%               | 0%          | 53          |
| Divide brochures   | 22.6%             | 32.1%     | 41.5%               | 3.8%        | 53          |
| Have discussion on the topic with co-workers   | 43.4%             | 41.5%     | 13.2%               | 1.9%        | 53          |
| Have the possibility to do questions and get answers   | 49.1%             | 37.7%     | 11.3%               | 1.9%        | 53          |
| Have your own manager explaining how you<br>should take the subject in question into<br>consideration in your own work | 35.8%             | 43.4%     | 20.8%               | 0%          | 53          |
|  |                   |           |                     | Total       | 53          |

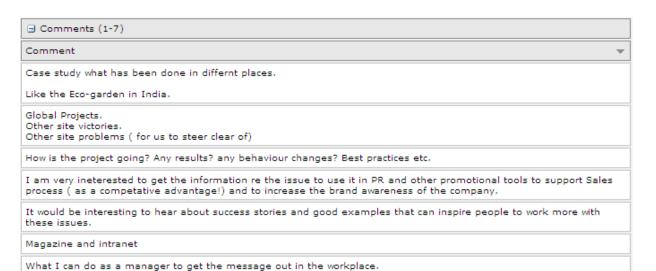




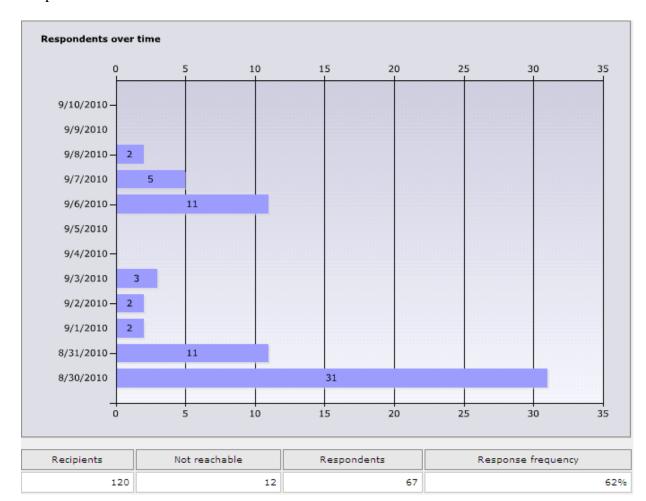
|                     | Percentage  | Count |
|---------------------|-------------|-------|
| I strongly disagree | 3.8%        | 2     |
| I disagree          | 7.5%        | 4     |
| I slightly disagree | 5.7%        | 3     |
| I slightly agree    | 9.4%        | 5     |
| I agree             | 34%         | 18    |
| I strongly agree    | 39.6%       | 21    |
|                     | Respondents | 53    |



|                       | Percentage  | Count |
|-----------------------|-------------|-------|
| Very interested       | 32.1%       | 17    |
| Interested            | 37.7%       | 20    |
| Slightly interested   | 22.6%       | 12    |
| Not so interested     | 7.5%        | 4     |
| Not at all interested | 0%          | 0     |
|                       | Respondents | 53    |



# Response statistics



# Appendix 2: Internal Communication Plan

## **Total Commitment. Total Responsibility - Internal communication plan**

## Background

Sandvik Mining and Construction (SMC) has put a huge effort into developing systems and processes for an EHS (Environment, Health, Safety) program to be implemented internally and externally:

- Safety Management Systems and Plans.
- Safety Policy.
- Workplace Risk Assessment.
- OHSAS 18001 Certification.
- Full integration in product development.
- Appointment of global EHS director.
- Dow Jones sustainability index.
- EHS part of Sandvik core values and integrated in brand content.

The project has not been coordinated centrally when it comes to communication, with a variety of messages circulating as a result.

Albeit strong internal focus on improving Sandvik's performance on all EHS levels, awareness about Sandvik's effort is low, especially externally with customers.

## **Purpose**

The purpose of the internal communication plan is to secure that there is timely and continuous communication regarding EHS and the implementation of the Total Commitment Total Responsibility concept throughout the SMC organization.

#### Goals

The overall goal is to communicate the EHS message and information regarding the new Total Commitment Total Responsibility Concept to facilitate the change in the best way. And secure that people have understood the change and act thereafter.

To open up for dialogue and inspire the organization to sharing information and best practice cases.

### Follow-up

*Regular follow-ups* will be made through each function's/segemnt's/country's/region's responsible EHS person and key managers to secure that the information reach our employees and to get feed back on how the new Total Commitment Total Responsibility Concept is received/understood and used.

## Target group/users

## Internal

- SMC global management (top 200)
- Persons responsible for EHS
- Communication Officers
- Sales and service personnel
- All SMC employees
- Sandvik Group

# **Delegation of responsibility**

The communication department at SMC head office is responsible to distribute the global messages to the organization.

The EHS organization, Communication officers and management (segment/common function/region/local) are responsible for function/local communication and where needed tailor it to local language/culture.

# Overall message

Sandvik has invested substantially into developing tools, systems and processes for integrating EHS in all its products and services for the benefit of all stakeholders.

Simply put,

## Sandvik cares:

- to improve safety/health for products/workplaces/people.
- to minimize negative environmental impacts.
- to take EHS issues seriously and with dedication..
- to continuously improve and develop the concept.

## Channels and methods

In order to reach the target group there will be a range of channels used.

• *Intranet;* A dedicated Total Commitment Total Responsibility (name has changed after this) site to be started on the EHS portal on the Global SMC intranet where

- global information and support material will be published and shared. This page will also carry the EHS discussion forum.
- *Presentation material*; Presentation material will be produced to support people at department meetings
- *Meetings;* All managers with a personnel responsibility shall give information to their employees and get individual commitments

Responsible; Respective Manager

- Video; A Video where President of SMC speaks about the importance of EHS
- *Brochure;* Internal brochure that in an inspiring manner focuses on EHS issues in the Total Commitment Total Responsibility = Commitment and responsibility way.
- *Poster*; Posters to make WE CARE visible at sites and offices
- *Stickers*; Total Commitment Total Responsibility stickers to put on performance boards at service facilities, helmets, vehicles etc.

# **Total Commitment Total Responsibility internal roll-out plan**

| Communication plan                            | May 25       |
|---|--------------|
| Draft management presentation                 | June 5       |
| Information to Extended Management Team       | June 22-23   |
| Information to EHS Community                  | Continuously |
| Presentation material                         | August 28    |
| Brochure                                      | August 28    |
| Stickers                                      | August 28    |
| Total Commitment Total Responsibility posters | August 28    |
|   |              |

Information package to top 200 and

EHS Community and Communication Officers Information package to communication September 1

officers with communication instructions

Total Commitment Total Responsibility portal on the intranet launched September 7

Total Commitment Total Responsibility Newsletter published September 7

EHS video with Lars published READY

Presentations at department meetings before year end 2009

# Appendix 3: Communication Channels Summary

Text in **bold** is to indicate the communication channel is new or uncommon.

| Segment/     | Popular ways of     | Developing/ new                       | Unpopular/    | Special about the           |
|--------------|---------------------|---------------------------------------|---------------|-----------------------------|
|              | communication       | communication                         | Going away    | focus area                  |
| Location     |                     | channels                              |               |                             |
| Supply chain | Supply Chain        | <b>Monitors</b> in PUs                | Billboards    | There are many              |
|              | Intranet            | <-                                    |               | geographical                |
|              | InterAction         | Employee summen                       |               | areas inside a customer     |
|              | InterAction         | Employee summon twice/year            |               | segment.                    |
|              | Face-to-face        | (Sandviken)                           |               |                             |
|              |                     |                                       |               |                             |
|              | Teleconference      |                                       |               |                             |
|              | meetings            |                                       |               |                             |
| UGM          | Intranet(s)         | <b>Social Media</b> such as Facebook, |               | There are many              |
|              | Departmental        | LinkedIn, Twitter                     |               | geographical areas inside a |
|              | meetings            | Zimoum, i witter                      |               | customer segment            |
|              | <i>B</i> .          |                                       |               |                             |
|              | Magazines           |                                       |               |                             |
|              |                     |                                       |               |                             |
|              | Newsletters         |                                       |               |                             |
|              | Face-to-face        |                                       |               |                             |
|              |                     |                                       |               |                             |
|              | E-mail updates      |                                       |               |                             |
|              | Management team     |                                       |               |                             |
|              | meetings            |                                       |               |                             |
|              |                     |                                       |               |                             |
|              | Bulletin boards     |                                       |               |                             |
| Hollola,     | Managing director's | InterAction, now with news from       |               | Blue collars have           |
| Finland      | informative         | Hollola as well.                      |               | computers.                  |
|              | meeting 4/year      | Tronoia as wen.                       |               |                             |
|              |                     | <-                                    |               |                             |
|              | Wall Bulletin       |                                       |               |                             |
|              | board               | New Finnish                           | Rox-Directory |                             |
|              | Recreational wall   | Intranet                              | (LotusNotes)  |                             |
|              | bulletin board      | published in winter                   |               |                             |
|              |                     | 2010.                                 |               |                             |
|              | Coffee table        |                                       |               |                             |
|              | F2F                 |                                       |               |                             |
|              | 1.71.               |                                       | l             |                             |

| LAM              | Intranet (those having computers appr. 70%)  Bulletin boards  InterAction  President videos  PPT Presentation done bu SMC Country Reps                     |  |                          | Emerging area.<br>Variable<br>educational levels.  |
|------------------|--|--|--------------------------|--|
| APC              | Intranet 30%  Quarterly Communique 10%  Internal E Shots 10%  Email 20%  Notice boards 10%  Interaction Local and Global 10%                               |  | Letters 5%  Data base 5% |  |
| EAS              | E-mail:50%  Bulletin:20%  Magazine:10%  Intranet:20%   | EAS intranet launched April 2010.  |                          | Developing fast pace. Variable educational levels.   |
| Region<br>Africa | -Cuarterly communique (question & answer session, social get together, copies and publications)  -Interaction news letter that is sent out attached to the | Intranet – due to past updating problems the number of viewers has been small, but it has been improved by pushing out new information to intranet> better rate. |                          | A large site. Differences in educational levels. Part of the region can be seen as developing countries. |

|     | employee payslip                                       |                      |                |
|-----|--|----------------------|----------------|
|     | -Flyers,<br>competitions<br>(a prize for<br>answering) |                      |                |
| USC | Intranet 85 %  | Researching          | Region is      |
|     |  | different options to | geographically |
|     | Meetings   | increase training    | spread out.    |
|     |  | efforts but not      |                |
|     | E-mail   | increasing travel    |                |
|     |  | by exploring         |                |
|     | E-mail   | technical training   |                |
|     |  | webinars to be       |                |
|     |  | placed on the        |                |
|     |  | region intranet.     |                |

# Comments from the respondents:

## **Intranet**

Intranet is seen as the most *effective* communication tool –it offers the right, precise, reliable information whereas bulletin boards, social interaction and magazines come *closer* to the people.

Intranet is a good tool for communication when:

- You work on a computer/ have an own computer
- The region/country/town/segment has an own intranet thus with interesting or relevant information for the user. (The same comment made of the magazines.)
- You know where to find the information you're looking for.
- You know what information you should be looking for (reminders from the responsibles)

The intranet doesn't work, because:

• There are too many intranet sites and people get lost when trying to find the information.

- The workers don't find the intranets interesting if they can't find relevant information in them.
- Users don't understand the structure of intranets in the organization and don't know what type of information each intranet offers.
- Looking for the information is time-consuming.
- Some workers don't go there as often as they should. Someone needs to guide them to go to intranet first.

# Ways that are used to get employees to go to the intranet for new information:

"If we publish something that we want quick response we send a short cut via E'Mail to all and get a very good reaction. This is however a little one sided." (Region AFR)

"Whenever there is something that we need everyone to be aware of, I send out an email blast to the Region directing everyone's attention to the information as soon as I post it on the Intranet. I have found this to be quite effective because most people are always in front of their emails, but may not check the Intranet on a daily basis. When I observe the number of hits on the Intranet, of course it is significantly higher at the times that I have sent out email blasts." (Region USC)

## Variety of audiences

There are different audiences inside the organization that are at least production area, workshop, administration and sales and jobsites. There is no one way to communicate to all of them. Workers at job sites and production plants don't use e-mail and intranet as much as employees sitting in the offices. There has to be alternative options to communicate to workers in different kinds of working conditions.

## Communication often happens in social situations or face-to-face:

- Face-to-face communication is the best way to communicate, but difficult to arrange.
- The workers go often to the coffee room, so many coffee tables work as communication channels with printed information as well as discussion around it.

• Social media shares the informality aspect with f2f communication.

# Information being communicated with the help of bulletin board:

- Recreational
- o Emergency contacts and first-aid help
- Vacancies
- Events

# Cultural/geographical influence on communication plan:

- The organization has to be aware of the educational backgrounds of workers in the emerging markets, such as in Latin America, Asian countries and Africa.
- Having the information in own language or at least with subtitles helps the message go through more effectively, e.g. president videos.

## Magazines and newsletters:

- The newsletters can be too "heavy" to read for the employees in the developing areas, where the educational level is lower.
  - o A newsletter with over six pages is too much.
  - o News letters should be short and broken to parts by relevant pictures.
- Magazines are seen interesting when there is relevant information to the reader.
- Comment on the content of magazines:

"Marketing department is pleased with the customer info, but the technical staff would like to know what their fellow workers have been doing in the other workshop and how they take care of customers' sites far away from them." (Region AFR)

# About the inquiry

The inquiry was sent by an e-mail that was a short request to tell about the communication channel. The answers are based on communication officers own opinions and what they see daily in their work. Getting the answers took over two months and three reminders sent, which shows that starting to develop communications- globally at least - is seen as "someone else's business". The answers reflect the need of development at some areas, but there might not be resources for it or it happens more on a local level.

## Conclusion:

In general, we share common tools for communication around the world, but we have local variations that adapt to the geographical and social elements. Intranet is the most widely used communication tool, but is strongly supported by other tools.