You often hear that organizations with strong ethical cultures have great "tone-from-the-top." What does that really mean? Ultimately, it means (i) the organization has clearly defined its values and (ii) the organization’s leaders communicate those values effectively throughout the organization.

Most of us believe we are great communicators, but as George Bernard Shaw said, “The single biggest problem in communication is the illusion that it has taken place.”

Such an illusion can be particularly costly within a complex organization where so many interactions depend on effective communication. Effective Communication begins by knowing yourself; knowing your organization’s values and goals. It takes hold by fostering an environment of trust and transparency so that employees know they can take you at your word. Finally, it is sustained by making sure your words are aligned with your values and your behaviors.

“The single biggest problem in communication is the illusion that it has taken place.”

To cultivate a culture of open communication, organizations must create channels for honest feedback. Leaders must engage in active listening, engage all stakeholders in dialogue, pay attention and be empathetic to build an environment where people are not afraid to speak up.

It is also important for organizations to understand the myriad ways people communicate, including through email, social media, cross-platform messaging, and sometimes, even through actual human-to-human conversations. But how people communicate (both medium and style) often depends on generational norms; norms that are complicated by an ever changing landscape of baby boomers, Gen Xers, and millennials (which will make up more than half of the workforce by 2020). While having multiple ways to stay connected can increase conversation, it also can lead to massive miscommunication.
Communication in a Crisis

When an organization faces a crisis or major challenge, communication is key to weathering the storm, and, if handled adeptly, even coming out stronger on the other side. But effective communication calls for thoughtfulness. It is not something that can be left to chance.

Sheppard Mullin’s Organizational Integrity Group understands the importance of communicating effectively, and how critical it is to have thought about such issues before a crisis hits. In a crisis, an organization’s stakeholders need to know what’s going on. Leaders need to be honest and address concerns head-on. PR teams need to consider internal and external messaging, including to clients, customers, shareholders, business partners, and the media. With so many potential recipients of an organization’s message, a well-thought-out communications plan is essential.

Of course, effective communication is as important before a crisis as it is during a crisis. During an internal investigation, for example, clear communication is no less critical. Indeed, a successful investigation depends significantly on the clarity of the information flow. Likewise, the organization’s ability to solve whatever problems are identified during the investigation again will depend upon the clarity with which those problems are identified.

Culture of Open Communication

• **Build trust.** For an organization to have effective, open communication, leaders must build trust by expressing their values often and sincerely through both words and behavior.

• **Create channels for honest feedback.** Leaders who engage in active listening to foster robust dialogue will get valuable information about the organization. Create channels that are both anonymous and open for different types of communications.

• **Communicate through a crisis.** When your organization faces a big problem, communicate thoughtfully to engender confidence and lessen anxiety among employees. Think about the different ways people communicate when trying to understand what went wrong.

• **The “ways” and “hows.”** Understanding all the different ways people communicate today, and how a multi-generational workforce will use those ways is essential to effective communication strategies.

“...a successful investigation depends significantly on the clarity of the information flow.”

About Sheppard Mullin’s Organizational Integrity Group

Sheppard Mullin formed the Organizational Integrity Group because most problems facing sophisticated organizations cannot be solved by legal analysis alone. Complicated problems are solved through a thoughtful, deliberate, and holistic approach; an approach that seeks to identify the root causes of problems and to craft solutions that are practical, effective, and sustainable. We look at the bigger picture. We ask questions that transcend a traditional, stove-piped legal analysis. Is the problem one of compliance, or is there an underlying institutional or cultural issue at its core? Are there business imperatives or reputational risks that must be considered before moving forward with a solution? If we attack the manifestation of the problem, will we actually cure the root cause of the problem? What does the organization’s mission, vision, and values tell us about how we should respond?