CASE STUDY No. 1676	CONDUCTING A LOW-COST INTERNAL COMMUNICATIONS PROGRAM

Inadequate communication has received so much criticism that it's easy to overlook the danger of overkill. Too much of it can sometimes be more harmful than too little or even none at all.

That principle is of particular relevance in planning employee communications programs. And, the more widespread the operation, the more difficult it is for an organization to strike a satisfactory balance between excessive and insufficient efforts.

A company confronted with that problem is Hughes Airwest, a scheduled passenger airline, familiarly known just as Airwest. Headquartered at San Francisco, CA, it operates chiefly in the western part of the U.S.A. but has been extending its flights to such other points as: Alberta, Canada; Jalisco, Mexico, and Milwaukee, WI. Its 5,200 employees are dispersed among the 43 cities served (ranging in number from eight at such places as Pocatello, ID, to 617 at headquarters and 1,600 at Phoenix, AZ, where there are maintenance and flight crew bases) and in a dozen countries not served (where there are about 100).

The airline's PR department was created when the assets of Air West, Inc., were purchased in 1970 by the Howard Hughes interests. The PR Director is Lawrence H. Litchfield, who has been with the department since its formation. He reports to President and CEO Russell V. Stephenson and has the help of two staffers.

Both external and internal communications are handled by the PR department . . . The former involve serving (with releases or personal contacts) some 400 dailies, 100 TV and 650 radio stations, 700 weeklies, approximately 60 freelance travel writers, and 150 business and consumer magazines. (Litchfield recently began to encourage sales representa-ves to maintain media contacts in the ties where they are stationed). . . In nnecti with Airwest's internal com- Litchfield points out that y having access, like all artments, to the sophisti- tions systems maintained for their operations. (That's a convenience and an economy, of course. But essentially comparable service is available from communications companies at a cost which is reasonable in relation to the value of good employee orientation and relations.) Such speedy transmission of messages is, he adds, especially important in the airplane industry because customer attitudes are often affected by sudden and unpredictable developments. . . And it seems obvious that that situation alone makes paramount the coordination of external and internal communications.

"Polished simplicity" is the objective of Airwest's internal communications and this has led to concentration chiefly on two communications tools: one distributes vital information quickly and efficiently and the other deals in depth with corporate rationale, objectives, plans, long-range developments, etc.

The first of the tools is known as "Teleflash." This makes use of brightly colored clip boards at points of heavy employee traffic at work locations. The second is an every-other-month tabloid titled "Hughes Airwest," which is handled by Manager of Communications and Publications Ralph W. Henn.

Teleflash messages may total as many as five a day. Each is on a typewritten (or teleprinted) sheet. Length runs from one sentence to a full page. A person at each teletype receiving station posts them promptly.

The PR staff either develops its own ideas as to what messages should go out or works out ones suggested by other departments. Final copy is edited with great care.

Teleflash messages treat all kinds of situations: flooding of an airport, an accident to a parked plane, regulatory developments, merger rumors, labor negotiations, operating results, equipment purchases, etc.

The tab[illegible] no title [illegible] ar[illegible] ste[illegible] s Airwest [illegible] dium was developed after five years of using other formats. It runs from four to eight pages, of which the first uses color. Until recently, it was mailed to employees at home but as an experiment during the current cost-conscious era, is now being distributed to them at their work places.

A typical issue contains a liberal amount of news about individual workers: promotions, transfers, service anniversaries, winners of athletic contests, etc. There are profiles of persons newly appointed to top positions and of long-term employees who have risen from "the ranks" to important posts. And there's such news as an item reporting that spiraling costs of medical and dental care will not increase the employees' share of premiums for the insurance covering those expenses. But a substantial portion of the issues (about 30% in one case) is devoted to full treatment of a subject which top management feels Airwest's personnel misunderstand or should know more about.

One example of such in-depth treatment is an explanation of Airwest's decision to install "Business Coach" sections (using wider and fewer seats) and charging a 25% premium at a time when competitors were cutting coach fares and reducing the number of first-class seats. The reaction of employees had been skeptical -- a hindrance to their promotion of the new service. A month before its introduction, the tabloid led with "For travelers and us -- BUSINESS COACH MEANS BUSINESS." There was a color photo -- a mock-up of the new section being used by travelers (posed by employees and professional models). The text: explained that the features of the new service (e.g., priority handling of baggage, meals not "fancy" but served at the passenger's convenience, coffee before takeoff, and writing materials provided) had been determined by a task force of six employees who are in continuing contact with passengers; reported research showing that each hour of uninterrupted flying time would enable the average business executive to do the equivalent of three hours of typically interrupted 'me in the office; and described promo- plans which had been made. (The has oved "very su ful.")

Another in-depth example is a series of articles about competing airlines, based on the theory that "a better understanding about your competitor will assist you in selling our services." Stories in the series ran from about 600 to 1,800 words in length and compared the strengths and practices of each competitor with those of Airwest.

Employees also receive copies (enclosed with the tabloid) of the first issue of a semi-annual external, the four-page, 8½x11-inch "Corporate Profile." Since Airwest is privately owned, it is not required to publish annual or quarterly reports and the Profiles (which give operating results and statistics) substitute for such a useful information tool. They also provide a summary of the company's history, activities, and plans.

Selected employees (mostly members of top management) receive occasional analyses of newspaper clippings (both favorable and unfavorable) about the company.

At Airwest, company information is considered important and it percolates down from top management through all employee ranks. This is indicated by a statement of Stephenson: "Here, internal communications is no luxury; it's a primary corporate essential that effectively relays top management's operating rationale to our employees worldwide."

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For Your PR NEWS Idea Library, write to: Anthony Staffieri, PR Dir., Video Magazine, 235 Park Av. So., New York, NY 10003, for "In the Vanguard of a Revolution," media kit distributed by the home video publication which contains salient information about the growth of video . . . Stewart P. Smith, Vice Pres.-PR, Anderson Clayton, P.O. Box 2538, Houston, TX 77001, for "75th Anniversary," annual report expressing appreciation for "the essential support and loyalty of our stockholders and employees."

PRoud to Serve PR,

Denny Griswold

Editor