

WHEN “TOO MANY CHIEFS” TURNS “US” INTO “US VERSUS THEM”

Don't play "whisper down the alley" with your bank on the line

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UNconventional Wisdom is a periodic guest blog, where authors hold up the so-called common wisdom to a fresh perspective. To propose a guest blog, email either William Streeter, editor in chief, or Steve Cocheo, executive editor

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Before Wii, iPods, and Facebook, children's games and pastimes were simpler.

"Whisper Down The Alley" was a favorite of mine.

The point of the game was for the first kid to come up with a sentence and whisper it to the person on their right. This proceeded with each person whispering it to the next person, and so on, until you got to the last child. The entertaining part of the game was that a sentence "The dog jumped over the fence" would become "The log was dumped over tents."

Although a humorous game, I wouldn't recommend playing it in your office. But is your organization suffering from something like this, simply because of the way it communicates internally?

Managers of managers, and the result

The organizational structure in many banks has evolved over the past decade to include not just the CEO and CFO in the ranks of the "chiefs." The communication circle has grown to include a Chief Operating Officer; Chief Marketing Officer; Chief Information Officer; and Chief Risk Officer, to name a few. As the layers deepen, we begin to see managers of managers. I am not saying that this is may not be necessary and beneficial for the organization. Nor am I implying that it should change. But there is a potential effect which must be watched for, and dealt with if it should rear its head.

What I am seeing in institutions across the country is a corporate game of "whisper down the alley" driving a communication wedge between the executive team and everybody else in the organization. With each addition of a "Chief," banks continue to distort and dilute the strategic message of the institution—without realizing it.

What's altering the message? Even with all the best intentions, human error often changes top management's message as it makes its way through the organization.

Case study of a broken communications web

I am working with an organization right now that has struggled with this. Although the company's strategic goals were solid, it wasn't successfully achieving them. The organization has been undergoing a restructuring of its communication, which not only uncovered tactical cracks, but has also exposed the human component behind it.

The strategic planning process created a seemingly clear goal to get more out of existing customer relationships by increasing product penetration and employee interaction.

The board communicated that strategic goal to the executive team with the charge of creating a tactical plan to achieve it.

The executive team successfully developed that tactical plan. It determined to utilize technology to create more opportunities and increase training to capitalize on them. To be successful at the tactical plan, the executive team needed to filter the message to the rest of the management team.

Now this is where the message got distorted and started communicating something that was not intended.

Instead of hearing a strategic goal that called for forward tactical action, the rest of management heard that they had fallen short of what the board wanted. As a result, they became defensive.

All managers left a critical meeting and retreated to the safety of their silos to start the process of producing defensively instead of strategically. Some examples:

- The head of IT spent hours defending his position—that it wasn't technology but rather how the technology was used that was the issue.

- The head of branches defended the use of the technology by his staff, by saying that the technology was difficult to use and outdated for the needs of his branch managers.

- Finally, the head of human resources created excuse after excuse as to why her training programs were unsuccessful due to participation and commitment—not content.

By the time the message hit the branches, it came in the form of sales quotas and training memos. In other words, nothing like what the board and top management had in mind.

The front line had no idea what the strategy was behind neither the new edicts nor how they fit into the scenario.

Nowhere in this mess was the true goal acknowledged nor its intent. The point was not that past actions were unsuccessful and that things needed to be fixed. The point was that it needed to be built upon and doing so required the input and cooperation of all.

Result of silos and poor communication

All in all, the result of that seemingly transparent strategic goal of utilizing technology and employees to create value out of deepening existing relationships was unsuccessful. It should have produced a technology plan and a corresponding training program, complete with assignments and deadlines, to achieve these initiatives.

But the statement that began as "Getting more value out of existing relationships," ended being heard as "My existing work is not valuable."

So if your goal is to engage the entire staff with a transparent and credible strategy, consider starting with saying the message to everyone in the room—*not* just the person next to you.

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