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Communication by the Numbers

A numerical perspective on the benefits of effective communication

EMPLOYEES FEEL DISCONNECTED IN COMPANIES WITH POOR communication. Why effective communication is needed in a workplace without it:

- 40 Percent of employees who feel disconnected at work.
- 67 Percent of workers who do not identify with or are motivated to help the company attain its business goals and objectives.
- 25 Percent of employees who show up just to collect a paycheck.¹
- 49 Percent of employees who feel their company is open and honest in its communication.
- 55 Percent of employees who feel that senior leadership only talks at them, but doesn't listen to them.
- 51 Percent of employees without a channel to communicate up the corporate organizational chart.²

Benefits to companies that communicate better.

Company that communicate effectively enjoy these statistical benefits over firms with poor communication:

- 30 Percent increase in market valuation.³
- 57 Percent higher in total return to shareholders than companies that communicated least effectively.
- 4.5 Times more likely to benefit from employees meaningfully connected with the company.
- 20 Percent who are more likely to experience lower turnover rates.⁴
- 1 Number of Communication Plans that a company must implement to achieve effective communication.

Succeeding with better communication. From an employee's perspective, effective communication encompasses these elements:

1. Open and honest exchanges of information.
2. Clear, easy-to-understand materials.
3. Timely distributions.
4. Trusted sources.
5. Two-way feedback systems.
6. Clear demonstrations of senior leadership's interest in employees.
7. Continual improvements in communication.
8. Consistent messaging across sources.⁵

¹ "U.S. Job Satisfaction Keeps Falling, The Conference Board Reports Today", The Conference Board. 28 February 2005.

² "Study Offers Insights on Effective Communication from the Perspective of Employees", Towers Perrin. January 2005.

³ "Connecting Organizational Communication to Financial Performance—2003/2004 Communication ROI Study", Watson Wyatt & Company. 3 November 2003.

⁴ "Effective Communication: A Leading Indicator of Financial Performance—2005/2006 Communication ROI Study", Watson Wyatt & Company. December 2005.

⁵ "Study Offers Insights on Effective Communication", Towers Perrin.