



In2 SABRE Awards

Categories: Best Use of Innovative Channels across Sectors:
Corporate B2B; Internal Communications
Title of Entry: Forging “One” Johnson Controls
Agency: Ketchum
Client: Johnson Controls, Inc.

SITUATION ANALYSIS

Johnson Controls executives used to say they were the biggest company in the world that no one knew. One of the world’s largest and most influential global multi-industrial companies, Johnson Controls is No. 67 on the Fortune 500, and No. 251 on the Global 500. Its 130,000 employees helped generate \$42.8 billion in sales in fiscal 2014, but even some employees had limited awareness of the company’s products, services and reach.

The problem was fragmentation. Johnson Controls has a diverse portfolio of products and services, but the business units were not aligned on communications. Without a clear corporate identity, employees struggled to understand how their role contributed to larger business goals and low visibility was costly on Wall Street. Johnson Controls would announce a strategic acquisition or technology breakthrough, but the media wouldn’t give it the credit deserved.

The new CEO, Alex Molinaroli, decided to change things, instituting a bold new business transformation centered on “One” Johnson Controls to unify growth, people and operations across the globe. Ketchum was engaged to help create a compelling, comprehensive story of what Johnson Controls stood for and drive awareness of the strategy inside and outside the company. The goal: Shift Johnson Controls’ reputation from a fragmented conglomerate to an innovative global multi-industrial company with a clear corporate vision, to garner more—and more positive—press and increase the visibility of strategic successes.

Ketchum worked with senior Johnson Controls executives to craft a new unified Johnson Controls story, then used storytelling, role-playing and help from the famous comedy troupe, Second City, to transform how leaders communicated the company’s story internally and to top-tier media, the international business community and global business influencers. Together, we created a top-down communications approach so the new story and strategy could be activated company-wide. The results were far reaching, impacting both corporate and executive visibility, and internal and external perceptions of what the company is and could be.

RESEARCH AND INSIGHTS

Ketchum and its change-management arm, Ketchum Change, surveyed Johnson Controls’ 130,000 employees and led on-site immersion sessions in 30 of its offices and manufacturing locations around the world. We found that a large part of the employee population felt very siloed, with little understanding of or affinity for Johnson Controls as a larger organization. Moreover, many employees were unable to clearly articulate what the company stood for beyond their own business unit.

Not only did this limited perception prevent employees from effectively contributing to the company’s success, but it created the external perception of a company so diverse that it lacked a clear direction and overarching business strategy.

At the time, Johnson Controls’ various business units faced a variety of macro and micro-economic challenges – from concerns about Europe’s economy and slowing growth in China to slowing domestic and European automotive production and softness in the non-residential building market.

Internal research and media analysis suggested that both investors and business media were more focused on the challenging economic environment than on Johnson Controls’ long-term business strategies. Market pressures and limited visibility coupled with lower than expected earnings reported in recent quarters had led to skepticism and raised concerns about credibility among analysts. Analysis of media coverage from traditional news sources including print, online and broadcast

outlets showed that when the campaign began, messaging largely focused on individual business units’ products, services and solutions and 58% of coverage was neutral in tone.

STRATEGY

The cornerstone of the communications strategy was to create a new “One” Johnson Controls narrative that told a compelling and humanistic story about the company that articulated how almost 130 years of innovation has intimately touched the daily lives of people all over the world—and how a commitment to inventiveness, quality and affordability means that Johnson Controls sets the global standard for understanding customers’ needs and helping them achieve their goals.

This new story supported the bold new business strategy envisioned by the new CEO, making sure that employees fully understood it, and increasing the total number of voices articulating that narrative to the media, business leaders, influencers outside the company and to each other. The strategy then used humor, innovative storytelling and role-playing—as helped by the Second City improv comedy troupe—to spread the word internally and externally.

The inside-out communications approach focused on building executive and corporate visibility. The announcement that seasoned Johnson Controls executive, Alex Molinaroli, would be taking over as the CEO provided an opportunity to share the new

narrative more broadly and clearly define his vision and goals for the company during communications with stockholders, analysts, customers, employees and the media. The strategy evolved to include thought-leadership opportunities in top-tier media, speaking opportunities and influencer engagement not only for Alex, but also for Johnson Controls Vice President and Chief Marketing Officer Kim, Metcalf-Kupres, and other members of the Executive Operating Team.

The new communications strategy paired each member of the 100-member executive leadership team with a communications partner to help ensure that communications aligned with the larger corporate narrative. It also leveraged traditionally business-to-consumer digital strategies, such as social media and content marketing to share a more cohesive brand story and humanize the company. Already active on Twitter, the new CEO would lead the way, sharing his experiences and telling the company story on social channels.

EXECUTION

Ketchum and the Johnson Controls Communications team began by working with the new CEO and his executive team to develop a unified and inspiring story of Johnson Controls.

We then worked together to design an interactive storytelling session with the improv comedy troupe Second City. The top 200 Johnson Control leaders participated in an intensive session that dramatized the new strategy and narrative through storytelling exercises and humorous role plays. By the end, they were able to communicate the Johnson Controls story using their own words, insights and style to internal teams and outside stakeholders.

We then began cascading the story to all employees, developing a multi-faceted leader-as-communicator program supported by a website with tips and tools for sharing the story and articulating the enterprise strategy. As part of Johnson Controls Vision Week, a celebration of the company's past success and future direction, we co-created an illustrated presentation of the story and facilitator guide to help leaders all over the world use the visuals to share the Johnson Controls story with employees, and invite them to help create it. We spread the word through a "Story Lounge," video room in which leaders shared in a personal way, what connects them to Johnson Controls. Dozens of touching videos were shared with employees, connecting leaders to employees in a human way and bringing the company story to life.

To get the word out externally, we created an aggressive "News Engine" to achieve high-profile placements in top-tier international media, built a "Speakers Bureau" to secure thought-leadership roles for executives at events like the World Economic Forum and Aspen Ideas Festival and launched an

influencer engagement program so executives could share the Johnson Controls story with some of the world's top leaders and influencers first hand. The company also helped senior executives develop their "voices" and personalities on social media, truly bringing the corporate brand to life and showcasing the company culture.

EVALUATION

Throughout the campaign, we promoted the visibility of executives through interviews with top-tier media and organized multiple press events surrounding Investor Relations Days, Automotive Day in Plymouth, Mich., and a "Building Efficiency" joint press event with the Hawaii Department of Transportation. We scored numerous executive features and bylined thought-leadership pieces in outlets such as The Hill, The New York Times, The Wall Street Journal, FOX News, Fox Business, Forbes, Xinhua, CNBC and CNN.

The compelling, unified Johnson Controls story and proactive communications strategy had a pronounced impact on the amount and quality of coverage the company received during a time that also saw significant business growth. Johnson Controls reported a record fiscal fourth quarter, with revenue growing 3% year-on-year to reach \$11.0 billion and expectations for year-on-year segment income growth of approximately 11% over the next fiscal year.

In July 2015, record results exceeded analyst forecasts, and the announcement of Johnson Controls' intent to spin off its automotive experience business energized online audiences. For the second consecutive month, coverage of Johnson Controls as a multi-industrial company increased. Coverage included 153 Tier-1 media placements, 4,321 online news placements, and 1,112 social media mentions for a total of 5,431 mentions in July alone, compared to the 194 news items and 2,761 social shares during the same period the year prior.

We also secured a wide range of high-profile appearances at events such as the World Economic Forum, the Forbes Reinventing America Summit, the North American International Auto Show, the Consumer Electronics Show, and the Aspen Ideas Festival, among others.

A survey of Johnson Controls leaders charged with communicating the enterprise strategy and story, found that as a result of our collective efforts, the majority of team members (66%) feel prepared to have conversations with their direct reports about enterprise changes and to answer their questions (60%).