



**COMMUNICATING  
WITH EMPLOYEES**

**EXPERTS OFFER  
NATIONAL, STATE  
PREVIEW**

**INDIANA'S  
VOTING  
REFORMS**

**BATTLE FOR  
THE INDIANA  
HOUSE**

# From Employers to Associates

## Here Are the Issues Important to Our Company

By Tom Schuman

**W**hat factors help contribute to your company's success? Undoubtedly among the attributes are hard work, doing your due diligence and making informed decisions. In today's business climate, those qualities may not be enough. Government decisions – at all levels – play an increasing role in whether companies are able to achieve at their desired level. Thus, it only makes sense to have pro-business legislators and representatives making those government determinations.

Political success includes some of the same characteristics. Candidates, and their supporters, provide the hard work. They, however, are counting on voters doing their homework and making the proper choices.

That's where business and politics come together. Just as companies train their workers to do the job in the proper manner, they are in a position to present information to employees about what government issues are important to the organization and whether candidates support or oppose those issues.

It's delivering details that workers do not have access to in other forms. It's allowing those associates to have the facts they need to be informed voters. It's alerting them to early voting options, to ensure that their voices are heard. It's helping people perform their civic duty.

"What we're talking about is good government," says Greg Casey, president and CEO of Washington, D.C.-based BIPAC (Business-Industry Political Action Committee). "Some people are confusing good government and politics. Before, there was an erroneous assumption among employers that they couldn't talk to people. We've had to overcome the misinformation about what employers can communicate."

### Open door

Labor unions have understood the importance of grassroots efforts for many years. They've communicated about the issues, raised the money (we'll only touch briefly on the longstanding discrepancy between union backing of their candidates and divided business community support),

specialized in getting out the vote and basically done whatever is necessary.

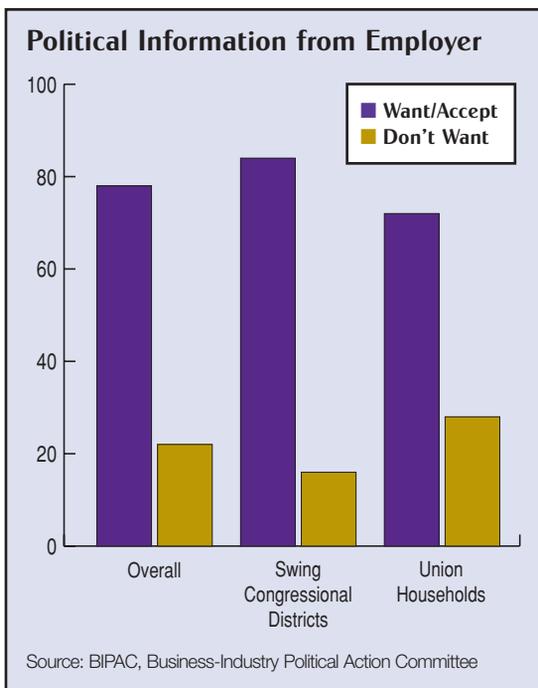
Union membership, though, is on a steady decline – especially in the private sector. "Their universe is shrinking, not growing," Casey contends.

In the past year, organized labor split into two factions. A number of unions have joined the Change to Win coalition, which has broken away from the AFL-CIO. Rather than a sign of weakened union power, Casey views the move with trepidation.

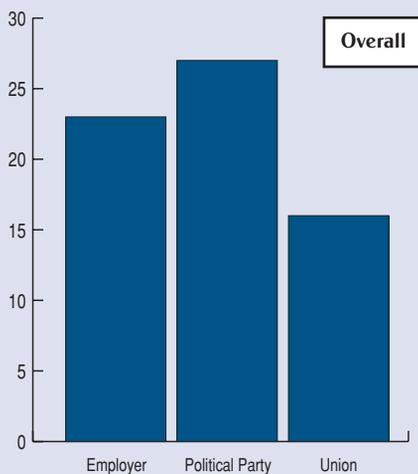
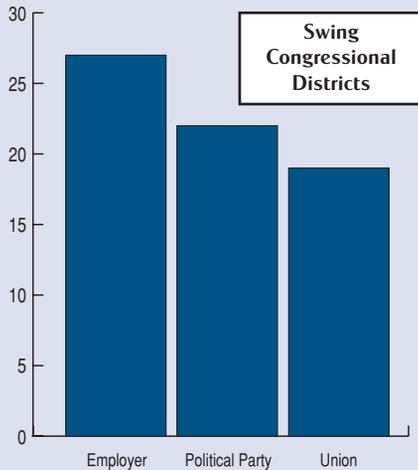
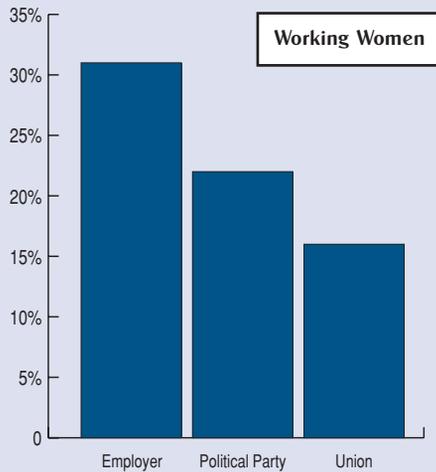
"To me, it is not a good thing. The split will lead to innovation and competition. The identity realignment, the retooling process – we'll have to see what that leads to."

Earlier, we identified a brief mention of money. In past election cycles, labor unions have given approximately 95% of the substantial funds they raise to pro-union candidates. While business political action committees such as the Chamber's Indiana Business for Responsive Government support only pro-business candidates, the majority of business money for candidates comes from corporations. And those corporations have traditionally split their giving between the political parties and the various candidates.

"Business has been hedging their bets. This infuriates me," Casey offers in a blunt assessment. "In the government affairs/public policy function, the objective is to influence public policy. It's not to make friends or gain access. That's not the ultimate goal. By supporting folks who don't support you, you facilitate errant behavior. Hedging, I think, is running its course. It's outdated."



## What organization can provide the most credible political information?



Source: BIPAC, Business-Industry Political Action Committee

## At the polls

What is far from outdated are competitive races, the importance of every vote and those voters' desire for guidance. Casey offers the following numbers:

- 121 million voters in 2004, including 13 million who voted for the first time. That compares to a total of 104 million in 2000
- 11.5 million people who said information from their employers was significant in their decision-making process, 3.5 million more than two years earlier. The percentages who cited employers or unions as most impactful were equal
- The percentage of employees who had received any communication from their employers had languished at 2-3% for years. Casey says that has inched up to 5-6%, with focused efforts in Ohio and Minnesota helping produce numbers closer to 15%

"It's night and day (between now and the year 2000)," Casey points out. "There's been an increase in the investor class (those involved in the stock market, mutual funds or 401(k)s, etc.) of between 20 to 25%. Those are people involved in the engine of the economy. They're seeking information more relevant to their daily lives – and that can be from the employer."

Casey adds there is a "declining value in the rhetoric of either party," partially due to communications changes. In 2004, 21% of voters used the Internet to collect information. That was a 10% increase over the previous election cycle. The reliance on the Internet increases as the age of the voter decreases, providing an opportunity for enhanced workplace communications.

## Indiana leaders

Among those who have made it a priority to let their employees know how public policy issues impact their business are Indiana companies LDI, Ltd. and Subaru of Indiana Automotive, Inc. LDI is an Indianapolis-based management holding company that owns wholesale distribution businesses (motorcycle aftermarket parts and automotive paints and coatings are among its specialties). The Subaru auto production facility in Lafayette has been in operation since 1989.

Andre Lacy, chairman and CEO of LDI, says "we simply talk about what's important to our business and industry." For specific bills, he will invite associates to write to their federal or state representatives. A prime example is recent attempts to implement punitive legislation against companies wishing to fax to their customers and clients.

"We ended up encouraging our people to contact Washington," Lacy recalls. "This would have put a terrific burden on us to have to pre-certify all the people we send faxes to."

When it comes to election time, there is no hesitancy to identify which officeholders and/or candidates supported or did not support those issues of importance.

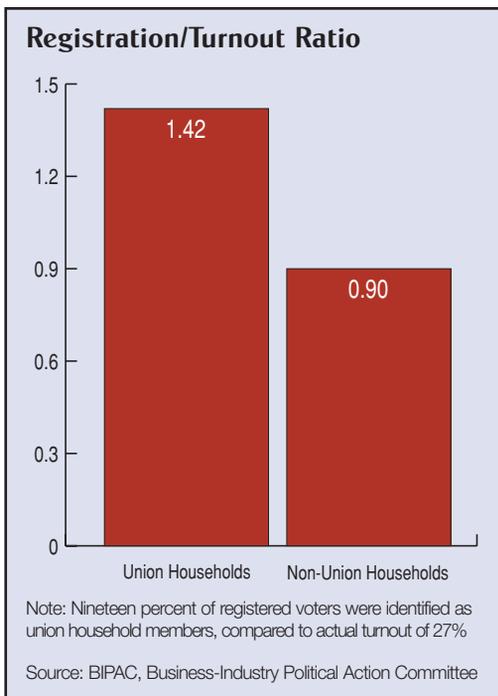
Lacy exclusively uses e-mail to communicate with associates. "We get some thank yous from people who are aware of it. My general impression is that people appreciate the information."

## Adding to the efforts

*BizVoice*® discussed this same topic with Tom Easterday four years ago. The VP-HR & Corporate Affairs & General Counsel at Subaru says employee communication efforts have only increased since then.

Easterday uses a biweekly column in the company newsletter to make his points known. The company's closed circuit television system is another avenue. A third possibility is weekly communication meetings that take place throughout the plant at the group level.

He used the column earlier this year to highlight the importance of Gov. Mitch Daniels' Major Moves infrastructure and job creation plan, as well as whom to contact to offer support. Not only is the infrastructure essential to the movement of parts to the auto plant, but more than 50% of the company's employees come to work each day from outside Tippecanoe County. The commuters travel from



as far away as Marion and Lake counties, as well as Bloomington and Richmond.

Easterday received three or four negative comments (anonymously on the company's open line system), but many others said they appreciated the information. "A lot of times people have not seen (the issues) directly applied to them. They may have seen it in the local media, but no one said, 'Here's how it will impact you.' In this case, that's how the highways are needed to reduce our parts costs."

The key, Easterday adds, is to avoid political party or partisan labels. "We focus on things that are pro-business, that will benefit our company or our suppliers. Anything that drives up business costs impacts our ability to provide benefits or wage increases. That's what our associates need to know."

Another example, from the early 1990s, was the North American Free Trade Agreement. The company outlined the issue, where Indiana's congressional delegation stood and provided contact information for those inclined to become involved. Subaru now gets parts from both Canada and Mexico, and 7% of its product exports are north of the U.S. border.

### Voting time

The efforts carry even further. Too many busy business professionals have failed to get to the polls on Election Day. Lacy doesn't want that to be an excuse.

"We support employees being good citizens," Lacy says. "For management and sales people who might be out of town on Election Day, we want to see that they all apply for absentee ballots. It's important to ensure that they have a voice in their government."

Election officials have responded to that need, with a dramatic increase in what Casey terms "no-excuse early voting." The opportunities are there for people to vote at their convenience. BIPAC created an easy vote web-based system that, by itself, generated 800,000 early ballots.

### Moving forward

For all the LDIs and Subaru's, there are many more companies that are doing little, if any, communication with their employees on important legislative or political issues. What do the experts recommend?

"Don't be political about it. Make sure you bring home the message about how it impacts your associates and the company directly," Easterday responds. "People don't see that on TV or in the newspaper. A lot of people want to know what the company's position is. I would not hesitate to present information."

Lacy notes, "You just have to keep at it. There is a little Don Quixote (the idealistic fictional character) in me, but I think legislators do pay attention."

LDI utilizes the resources of the National Association of Wholesalers-Distributors. "They keep us informed on issues, giving good bullet points and sound information (that we can share). They leverage their size into a much stronger voice and that's critical," Lacy concludes.

Casey and his colleagues at BIPAC created the Prosperity Project (P2) to help states and employers communicate more effectively. It is based on today's technology, with legislative and political information made available via the Internet or a company's/group's internal intranet. Seventy-five of the Fortune 100 companies make use of the P2 tools, along with numerous national associations.

"There's no easy way to do this. You have to continue to be a disciple," Casey states, "not only in the legalities of what can be communicated, but in talking about the effectiveness. Perceptions must be overcome that employers think employees 'don't want to hear what I have to say or won't respect what I say.' Those perceptions are wrong.

"The Prosperity Project is simple. It allows people to think for themselves." What P2 tries to do, and what Casey recommends for all, is to "be more tactfully adept" at getting the message across.

### INFORMATION LINK

**Resource:** Greg Casey, BIPAC, at (202) 833-1880 or [www.bipac.org](http://www.bipac.org)

**Andre Lacy, LDI Ltd., at (317) 237-2272**

**Tom Easterday, Subaru of Indiana Automotive, at (765) 449-6288**