



Delivering Excellence - Alyeska Pipeline Service Company's 35th Anniversary

Alyeska Pipeline Service Company, Jan 1, 2013

Summary: 2013 Silver Anvil Award of Excellence Winner — Events and Observances (More THAN Seven Days) — Business Products

In 2012, Alaska's Alyeska Pipeline Service Company marked 35 years of operating the Trans Alaska Pipeline System (TAPS). TAPS is a cornerstone of the state's identity and economy. Its employees are known for innovation, teamwork and true Alaskan grit. Over 35 days, the company celebrated the occasion with an employee-focused campaign that boosted morale, raised external awareness of ongoing operational challenges, and celebrated Alyeska's legacy of corporate philanthropy and employee volunteerism. The campaign highlighted employees' pride about the pipeline's history and TAPS' significance in Alaska, and it told Alaskans that Alyeska's people remain committed to overcoming operational challenges ahead.

Events and observances (more than seven days) includes programs or events that take place for longer than a one-week period, such as a yearlong anniversary, or activities (commemorations, observances, celebrations, etc.).

Full Text: **SITUATION**

Alyeska Pipeline Service Company formed in 1970 to design, build, maintain and operate the Trans Alaska Pipeline System (TAPS). The pipeline today is recognized as a landmark engineering feat and remains essential to Alaska's economy and central to the state's industry. Owned by the companies that produce oil on Alaska's North Slope, the 800-mile pipeline is recognized as a national asset. It has brought more than 16 billion barrels of oil to market since transporting its first barrel of oil in 1977. Today, the company faces operational challenges arising from declining crude oil production on the North Slope. The pipeline was built to transport 1.5 million barrels a day, but current throughput hovers under 600,000 barrels a day. Despite these challenges, the company remains a top employer in Alaska, a valued contributor to the community, and a cornerstone of the state's identity. TAPS' 35th anniversary called for a statewide celebration to commemorate the excellent work of the last 35 years.

RESEARCH

Before planning, Alyeska Corporate Communications staff met with senior leadership to discuss goals. The staff also talked with longtime employees to learn their thoughts. The team reviewed several regular research studies, including some conducted by professional research companies for the company:

- a) Internal Communications Survey (conducted annually by Corporate Communications staff),
- b) quarterly external audience polling and
- c) annual external audience polling.

Based on this research, the team learned:

- 1) management wanted to celebrate, honor the company's legacy of community support, and also discuss future challenges;
- 2) employees felt strongly the campaign should focus on people, not the actual structure;
- 3) a community element would resonate with all audiences;
- 4) Alaskans have a favorable opinion of Alyeska (68% in 2011) and believe employees are the best ambassadors for TAPS.

Throughout the campaign, the team continued to analyze media clips, incorporate anecdotal feedback from the field and analyze social media data to measure how messages resonated with audiences.

PLANNING

Based on the research, the team put together a plan for an energetic statewide campaign that would include 35 days of sustained activity.

Objectives

- 1) Hold celebrations along the pipeline to thank as many TAPS employees as possible.
- 2) Increase awareness of Alyeska's philanthropic legacy among Alaska nonprofits and communities along the pipeline.
- 3) Raise awareness among political stakeholders around the challenges posed by declining throughput.
- 4) Drive traffic to the overhauled Alyeska Pipeline website.

Key audiences

- 1) Alyeska employees and contractor partners.
- 2) Residents of the communities that have been home to Alyeska's employees for 35 years.
- 3) Political stakeholders who can enact policies that could reverse the decline of North Slope crude oil production.

Primary messages

- 1) We are proud of our history and the significant role the pipeline and Alyeska have played in shaping Alaska.
- 2) We are a company of problem solvers. The best solution for TAPS and for Alaska is more oil in the pipeline.
- 3) Alyeska's employees are prepared for the challenges ahead and committed to Alaska's future.

Strategy

Use a mix of traditional and non-traditional tactics to increase awareness about the pipeline's place in Alaska history and its future. Expand employee and contractor pride through internal celebrations and recognitions, and encourage them to be ambassadors for the pipeline in their own communities, with family and friends. Use community events and volunteerism to increase awareness of Alyeska's impact on communities. The campaign was built around the slogan Delivering Excellence.

Budget

The \$170,000 budget was considerably smaller than previous celebrations, in large part due to changing economic conditions and budget pressures driven by declining oil throughput in the

pipeline. This more efficient focus required the campaign be run solely by the 9-member in-house staff. The \$170,000 figure did include advertising developed and placed by Alyeska's advertising agency. The budget challenged the team to be creative as many employees still had the same expectations of previous high-cost celebrations.

EXECUTION

Alyeska's 35th anniversary campaign kicked off June 20, 2012, coinciding with Pump Station 1's startup on June 20, 1977. For 35 days, the team coordinated statewide tributes including employee interviews, commemorative meals at worksites, a modest print ad campaign, social media postings, and various events for the public in Anchorage, Fairbanks and Valdez, three markets extremely important to the pipeline.

There were 21 employee events at all 14 work sites along the 800-mile pipeline. Each featured speakers from Alyeska leadership or one of the employees profiled in the campaign. Scheduling was challenging because of the distances between sites, the 24-hour schedules of work crews and accessibility issues with remote sites.

There were also five community events, including a community barbecue in Valdez. To strengthen the community component of the celebration, staff organized "field trips" where employees helped at nonprofits in their community. This "mass" volunteering helped the company gain additional support from nonprofits, gave employees a chance to give back, and helped solidify Alyeska's philanthropic reputation. More than 90 employees supported these events in Anchorage, Valdez and Fairbanks.

Company leadership asked the team to reduce costs for the celebration (at the same time all company budgets were being cut) as much as possible without sacrificing the celebratory nature of the event. This only added to the challenge of creating events in remote locations but the team was able to cut costs by creating fun events such as ice cream socials where the leadership team served ice cream for employees.

Alyeska's website was antiquated and the communications team wanted to build a new, more updated site to show the highly innovative company in an advanced way to the public and its employees. The website was originally scheduled to launch in February 2012. Various issues pertaining to compatibility, security and other hurdles stalled the project. The team turned this into an opportunity to launch the new site in conjunction with the 35th anniversary. On June 20, the new website debuted. New content was added seven days a week during campaign, including 35 employee profiles, and 35 stories about Alyeska's support for Alaska nonprofits. These pieces were posted weekly in internal electronic employee newsletters and on the Alyeska intranet.

Giving back to the community where Alyeska employees live and work has been an important company value since 1977. Management wanted to showcase that support during this campaign. The team chose 35 nonprofits in Anchorage, along the pipeline corridor and in Prince William Sound that support Alyeska's core values of safety, environmental stewardship, workforce development and promoting healthy communities. Those organizations were highlighted in an online poll during the campaign where three were selected to each receive \$5,000 from the company. Employees and the general public were encouraged to participate, so nominated nonprofits drove their supporters to the website to vote.

Media kits were created and distributed to Alaska media (print, radio and television). In addition to anniversary information and pipeline milestones, the materials also included facts and figures around the future challenges the company is facing. Corporate Communications staff drafted op-eds for Alyeska President Tom Barrett, which were sent to newspapers around the state. Staff members also reached out to local radio stations to gauge interest in employee interviews.

The team used a small paid advertising push to help reach external audiences, boosting anniversary awareness and driving additional traffic to the new website. Working with the

Nerland Agency, the company created and placed print and online ads in Anchorage, Valdez, Cordova and Fairbanks.

Alyeska's regular external newsletter focused entirely on the 35th anniversary and was sent to a strategically selected larger mailing list. The newsletter ordinarily reaches 5,000 industry representatives and external stakeholders, but this special issue was also mailed to an additional 25,000 super-voters who live along the pipeline or the state capital of Juneau.

An active social media campaign complemented all activity, with daily posts routing readers to online stories, sharing pipeline facts and promoting the online poll. Alyeska used Twitter and Facebook to promote the content added to the external website, and engage the public around issues facing the company.

EVALUATION

Throughout the 35 days, the Corporate Communications team heard anecdotal evidence from employees regarding the events, read comments on media stories from the general public and reviewed feedback from social media. At the end of each week, the team gathered to review activities and feedback, plan for the following week and make necessary adjustments. For example, the campaign occurred during construction season, which brings an unpredictable influx of workers along TAPS. When the team realized several workers were left out of the original headcount, they ordered additional travel mugs.

At the conclusion of the campaign, staff was able to evaluate its efforts with the help of internal and external polling. The internal communications survey following the events showed that 86.6% of employees agreed or strongly agreed that they were well-informed about the 35th anniversary. An open-ended question about the 35th anniversary campaign confirmed that employee profiles and celebratory events had resonated especially with them. Quarterly external polling on favorability demonstrated significant upticks in the third quarter - immediately after the campaign - from 53% to 64%.

Alyeska's 35th anniversary campaign was covered by the three major Alaska newspapers and the major statewide television station. A lengthy Associated Press article was featured in the *Anchorage Daily News* and the *Fairbanks Daily News-Miner*. The *Juneau Empire* ran an op-ed by Senator Lisa Murkowski. All articles featured at least one of the key messages identified early in the campaign. The story was also picked up by magazines around the state and online news sites. The Valdez public radio station ran an hour-long interview with a 35-year employee and then used clips in the nightly news.

The philanthropy poll and online ads generated thousands of visits to the new website, with 29,000 hits to the website between June and July. Through the campaign, Alyeska measured increased audiences and activity in social media. Alyeska grew its Twitter and Facebook followers by 12% and 8% respectively.

As requested by management, the final cost of the celebration was reduced by 15 percent. In fact, in the end, the cost was 18% than originally budgeted saving the company \$30,000.