

Top Ten Email Blunders That Cost Companies Money

by Debra Hamilton

Fast communication isn't necessarily good communication.

Originally designed to save companies time and money, email has been abused and overused as a communication tool. As a result, a company with 100 employees can expect to lose approximately \$450,000 a year or more because of email blunders, inefficiencies, and misunderstandings.

This special report reveals the blunders and problems associated with email and the potential cost in terms of dollars, damage control to repair image and relationships, and liability.

Email continues to change the way we communicate. In fact, one of today's biggest—and most often overlooked—problems with email is poor writing skills. A recent study by The National Commission on Writing found that American firms spend as much as \$3.1 billion a year remedying their employees' writing deficiencies. Companies now value communication skills so heavily that they may terminate those employees who are writing-skill deficient.

Top Ten Email Blunders That Cost Companies Money will give you an objective look at how email has transformed the way we communicate and how you can avoid the blunders that will cost your company money and possibly cost you your job.

The High Cost of Email

Many of the complaints that have been expressed time and time again point to ten distinct blunders that make email communication counterproductive and costly as shown below.

Top Ten Blunders

1. Inaccurate or vague subject line
2. Purpose for writing not stated up front
3. No specific action step
4. Incomplete information
5. Too much information
6. Harsh or demanding tone
7. Breaking privacy guidelines and crossing ethical boundaries
8. Conveying sensitive or confidential information
9. Errors and inaccuracies
10. Excessive volume

“*Most people do not know how to write an email properly—they lack a focused subject and write in a harsh tone.*”

—Interviewee, Creative Communications study

The Top Ten Email Blunders . . .

The blunders described below impact both internal and external communication and may produce a single crisis or result in compounded losses.

High Cost of Email:

- Inaction
- Rework
- Inefficiency
- Email Overload
- Misunderstandings
- Missed Opportunity
- Damaged Relationships
- Misguided Responses
- Erroneous Decisions
- Legal Liability

#1

Inaccurate or vague subject line

Vague, confusing, or incomplete subject lines result in unread messages, overlooked information, and needless follow-up communication. Subject lines are extremely important: 35% of email users open messages because of what's contained in the subject line (JupiterResearch, 2007).

Cost: Inaction; rework; inefficiency, missed opportunities

#2

Purpose for writing not stated up front

Most emails fail to communicate a complete message on the first try because the sender did not state a clear purpose for writing. As a result, the reader is reluctant to keep reading and avoids the message, or the reader responds with an email requesting more clarity.

Cost: Inaction; rework; misguided responses

#3

No specific action step

Many readers complain that after reading an email, they're not sure what to do with the information or how and when to respond.

Cost: Inaction; rework; missed opportunities

#4

Incomplete information

Messages that lack important details result in stalled projects and a chain reaction of needless follow-up communication.

Cost: Inaction; rework; misunderstandings, misguided responses; erroneous decisions

#5

Too much information

Emails that contain too much extraneous information and detail confuse readers, waste time, and hinder productivity.

Cost: Inefficiency; misunderstandings; email overload; erroneous decisions

#6

Harsh or demanding tone

Negative or sarcastic messages offend readers and can trigger nasty, counterproductive email exchanges. In addition, abrasive emails discourage readers from responding.

Cost: Missed opportunities; misunderstandings; damaged relationships; legal liability

#7

Breaking privacy guidelines and crossing ethical boundaries

Companies have paid out millions of dollars in settlements in recent years because of email litigation. In attorney Helen Conroy's article, "Electronic Mail: What You Don't Know Can Hurt You," in *Enterprising Women*, she states that all business litigation arises from communication failure. Because people tend to speak freely and without reflection in email, jurors consider email highly credible evidence.

Cost: Damaged relationships; legal liability

#8

Conveying sensitive or confidential information

As shown in Figure 3 on page 8, email should not be used for controversial or sensitive matters and subjects that require reaching a compromise or tactful face-to-face communication. Email lacks the personal touch and discretion needed to address these kinds of issues.

Cost: Damaged relationships; legal liability

#9

Errors and inaccuracies

The speed of email often leads to errors and inaccuracies. Spelling, grammar, and punctuation errors distract readers and give the message an unprofessional, careless look. Even leaving out a simple comma can vastly change the meaning of a sentence.

Cost: Inefficiency; missed opportunities; damaged relationships; erroneous decisions

#10

Excessive volume

Unnecessary FYIs and CCs, nonessential acknowledgements, spam, mishandled distribution lists—all of these add to the increasing number of emails people must organize and attend to every day.

Cost: Inefficiency; email overload; damaged relationships

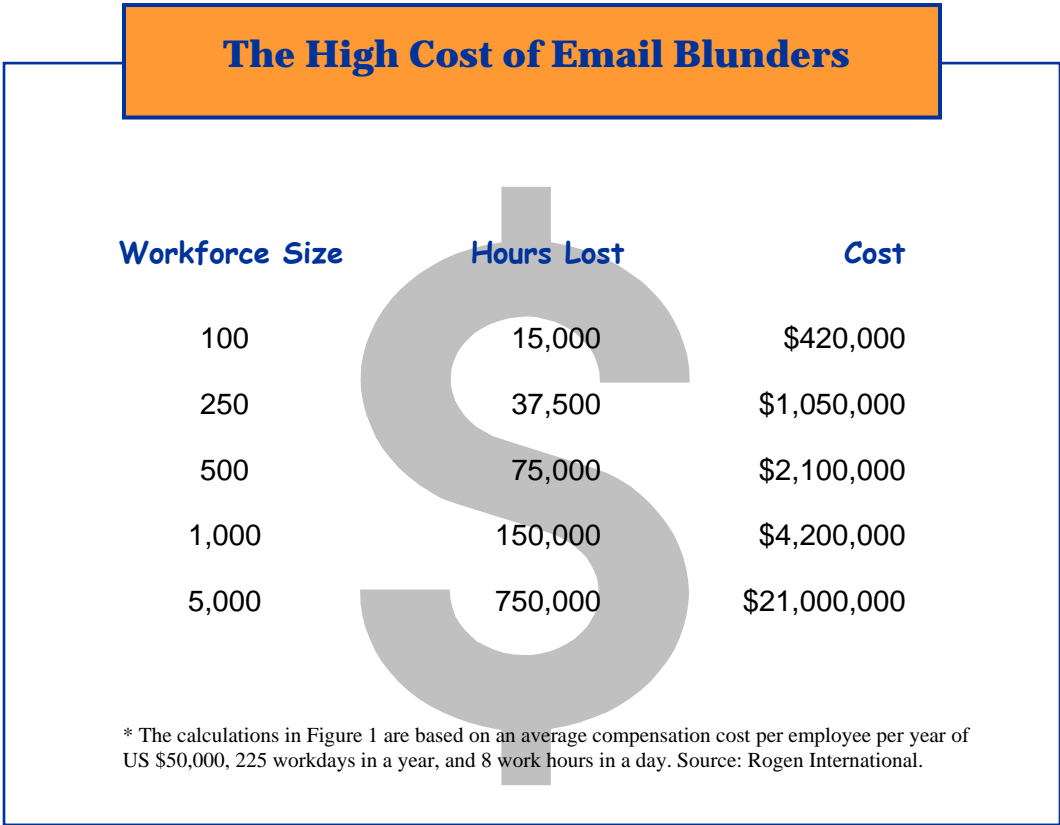
“*Writing skills are fundamental in business. It's increasingly important to be able to convey content in a tight, logical, direct manner, particularly in a fast-paced technological environment.*”

—Respondent, The National Commission on Writing survey, *A Ticket to Work... Or a Ticket Out*

How do these email blunders impact the bottom line?

Figure 1 shows just how much money businesses lose because of email blunders.

Figure 1*

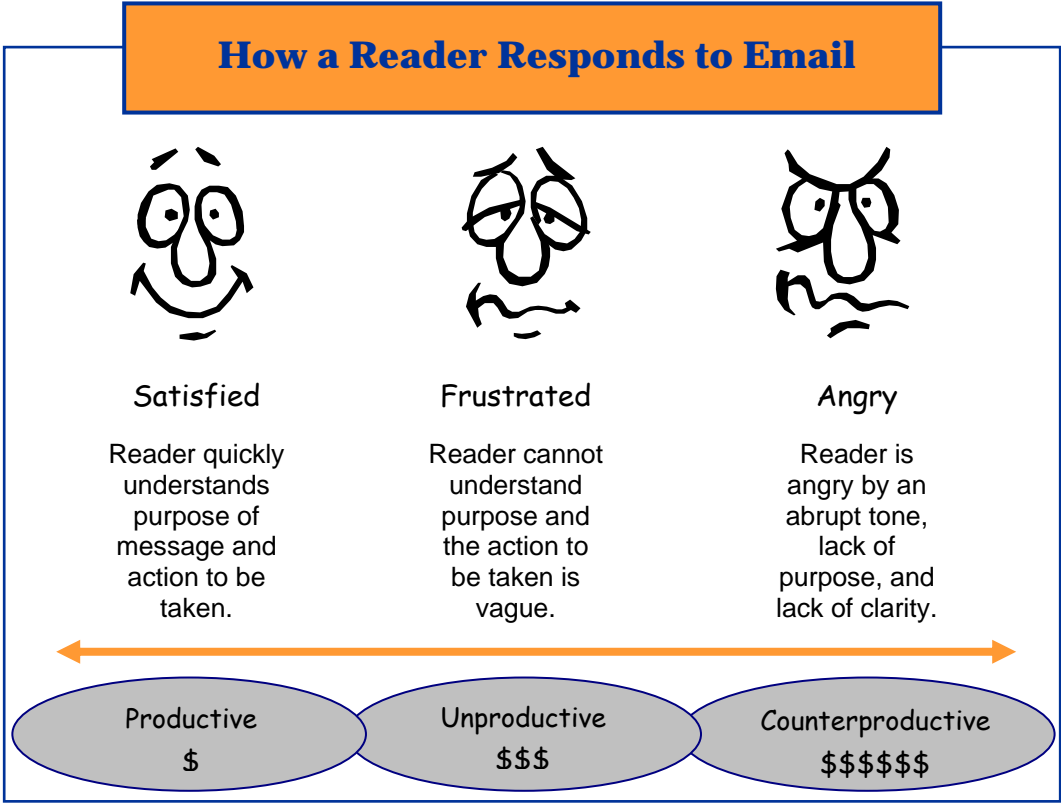


Writing Affects Attitudes and Profits

Unclear messages result in a significant waste of an organization’s valuable resources. And up to 60% of messages are so unclear that they fail on their first attempt—meaning they leave the reader unable to act without first getting more information—producing a chain reaction of follow-up emails and responses, flooded in-boxes, strained networks, aggravation, and wasted time.

Figure 2 shows how readers typically respond to email.

Figure 2



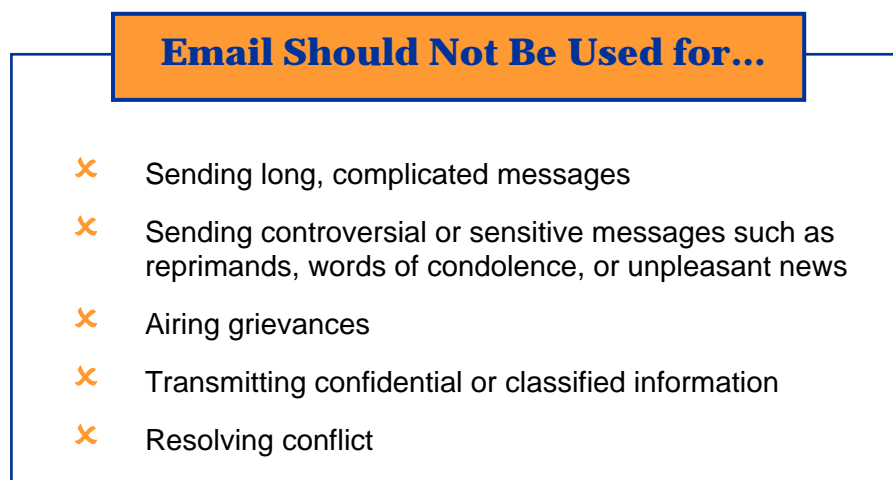
How does email rank among other forms of communication?

Surveys consistently show that face-to-face contact is the preferred form of communication in the workplace. According to a survey by Rogen International, up to 81% of respondents would rather receive both good and bad news face-to-face than via email. Although in-person communication is favored over electronic communication, more than 66% of respondents reported that the growing use of email has reduced their organization's face-to-face contact.

The reduction in personal contact has not diminished people's reliance on or passion for immediate information. Almost 85% of participants in the Rogen International study agreed that email has helped improve overall organizational communication despite its drawbacks.

One of the major drawbacks, as shown in Figure 3, is that people are using email to convey the kinds of information that should be addressed in person or over the telephone—complicated material, confidential matters, sensitive subjects. People prefer more personal means of communication in these types of situations.

Figure 3



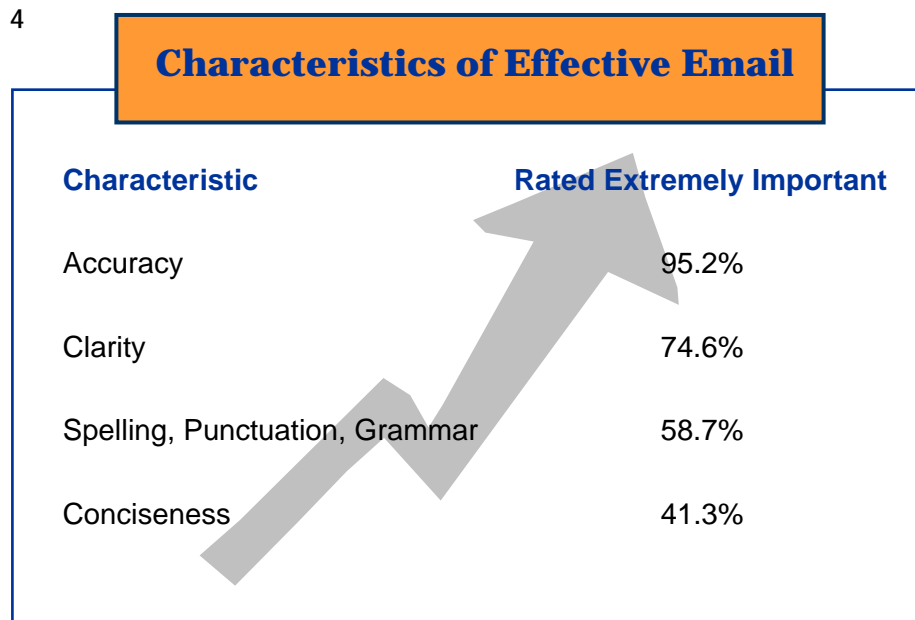
Does email underscore the need for better writing skills?

Yes. According to The National Commission on Writing, a survey of 120 major American corporations employing nearly 8 million people concludes that in today's workplace writing is a "threshold skill" for hiring and promotion among salaried employees. Since email is the dominant form of communication, companies are trying to sharpen employees' writing skills while making email more manageable.

Email can be the effective productivity tool it was originally intended to be if employees learn how to write clear, concise, positive messages. Consider this: 60% of people who receive an email read only 50% of the message (Jeannie Mullen, *ClickZ.com*, 2005). The challenge? Because of email's "immediacy" factor, most people write and send messages hastily. And few employees have been trained in how to use email to build relationships, move projects along, and share knowledge.

The National Commission on Writing published its survey results in its study, *Writing: A Ticket to Work... Or a Ticket Out*, which confirms that individual opportunity in America greatly depends on one's ability to present his or her thoughts accurately and clearly, as shown in Figure 4.

4



Figure

The Legal Consequences of Email Blunders

Companies hire lawyers to write comprehensive email policies to protect them from lawsuits stemming from user carelessness and abuse. This expensive approach may seem extreme, but the alternative could be costly litigation.

According to a 2006 survey cited in The Wall Street Journal's *CareerBuilder.com*, almost one-third of American companies have fired an employee in the last 12 months for violating email policies. In addition, 65% of those companies polled said they have disciplined an employee for violating email rules within the past year. Within the last few years, 27% of Fortune 500 organizations have had to defend themselves in court against claims stemming from inappropriate email use (*snapshots.py.com*, 2009.)

The legal ramifications do not stop with internal conflicts. Because email messages are so easy to forward, businesses have felt the financial, legal, and public relations effects of carelessly written emails. For example: In 2001, Neal Patterson, the CEO of Cerner, berated 400 of the company's managers via email. The email was posted on Yahoo, and Cerner stock dropped 28% within a week.

“*The very attributes that make email so convenient also make it a gold mine for your opponent at trial. People speak freely and without reflection in emails, saying things they would never write in a memo or say out loud.*”

—Helen Conroy, *Electronic Mail: What You Don't Know Can Hurt You*, *Enterprising Women*

When Is Email a “Deal Killer?”

It's a fact: Customers judge the reputation and trustworthiness of a company on its employees' ability to communicate clearly. According to a 2006 survey by JupiterResearch, 90% of online customers use email to determine the value of a relationship with a company. Why? Because most potential clients are unwilling to do business with organizations whose representatives lack the basic writing skills needed to communicate effectively.

External email blunders cost companies billions in lost revenue every year. According to a market analysis firm Datamonitor Inc., Internet retailers lost approximately \$6 billion in online sales in 1999 because of poor customer service. Datamonitor consultant Steve Morrell stated, “The average company could have improved its online sales figures by almost 35% if it had provided better online customer service for potential customers.”

No doubt, poorly written email messages can damage customer relationships. In some cases, ties to customers can be severed completely. A 2003 survey by email marketing agency Quris found that 45% of the respondents reported they could name at least one company they stopped doing business with because of its poor email content.

“*Each customer service email is an opportunity to build a relationship with a customer. Each response should make the customer feel valued.*”

—Marilynne Rudick and Leslie O’Flahavan,
E-WRITE, *Five E-mail Errors that Cost You Customers*

Brain Drain

Over 147 million people in the U.S. use email almost every day (*eMarketer.com*, 2006). Of those 147 million, JupiterResearch's data show that the average user receives 274 personal and 304 professional emails per week—a whopping 578 messages in just 7 days.

For many, checking email has become an obsession. So much so, in fact, that a Gartner, Inc., survey showed that 34% of respondents reported that they were checking their inboxes more than ten times a day, and more than 15% of Americans describe themselves as “addicted to email” (AOL, 2007). Despite all of the attention given to email, the same respondents added that only 27% of their email required their immediate attention.

According to TNS Research in Great Britain, the constant interruptions and demands of email reduce worker productivity and leave people feeling tired and lethargic. But this modern mental drain does more than make people tired; the psychological stress is actually severe enough to lower people’s IQs. In 80 clinical trials, Dr. Glen Wilson, a psychiatrist at King’s College London University, monitored the IQ of workers throughout the day. He found that the IQ of workers who tried to juggle messages and work fell by ten points—the equivalent to losing an entire night’s sleep.

“*I receive too many extraneous emails that just say thank you, I understand, I agree, or other non-information. I don’t necessarily expect, nor want, a response to every email I send.*”

—Interviewee, Creative Communications survey

How to avoid email blunders and strengthen the bottom line

Many companies—especially those in the service, finance, insurance, manufacturing, and real estate industries—are investing in writing skills training to help employees tame the email beast and improve their overall communication skills.

Companies benefit from investing in email training. In *A Ticket to Work...*, the average cost of such training is listed as approximately \$950 per employee across all industries. Compare that amount to the \$4,200 lost per employee every year to inefficient email use (Figure 1).

Email and writing skills training give employees the tools they need to communicate well in the business world. Because employees are a reflection of the company they work for, businesses are becoming increasingly aware of the importance of strong writing.

“*Good writing is a sign of good thinking. Writing that is persuasive, logical, and orderly is impressive. Writing that’s not careful can be a signal of unclear thinking.*”

—Respondent, The National Commission on Writing survey, *A Ticket to Work... Or a Ticket Out*

What You Can Do

Good business writing improves the bottom line. Proactive companies are now cutting the cost of inefficiencies and inaccuracies by providing resources and training to meet the growing demand for good writing.

Avoid the blunders that result in lost dollars and lost opportunities:

1. Download our FREE *Email Etiquette Tip Sheet*. Go to www.businesslunchandlearn.com/resources.
2. Order a FREE subscription to our monthly newsletter, *Communication Guru*[™], and receive current information about communicating effectively and profitably in today's fast-paced business environment. Go to www.businesslunchandlearn.com.
3. Schedule a workshop for your group—up to 20 participants. \$1,200 for a two-hour session / \$1,800 for a half-day session / \$2,800 for a full-day session. Large group pricing is available.
4. Drive results throughout your organization with our popular e-learning workshop: *The 30-Second Email*[™]. Call us at (973) 697-3455 to discuss our easy and cost-effective licensing arrangement.
5. Order our flipcard job aid: *The 30-Second Email*[™]: A Desktop Guide for More Effective Email, \$39.95. Call us at (973) 697-3455 to reserve a copy and discuss volume discounts.
6. Inquire about our writing consulting services and customized writing templates designed to simplify the task of writing and ensure better results. Call us at (973) 697-3455.

About the Author



Debra Hamilton has twenty years of experience in education and training. As a learning and performance consultant, she develops strategic learning and leadership initiatives, including needs assessment, program design, and implementation. Her blended learning solutions often include a mix of instructor-led and self-paced learning, web 2.0 technologies, and follow-up coaching sessions to fully engage participants and achieve key performance targets.

She is proficient at linking learning programs to business results and skilled at assessing training transfer using the Kirkpatrick Four Levels and balanced scorecard evaluative approaches. Debra's learning and performance expertise includes communication strategy, interpersonal communication, leadership presence, conflict management, cross-functional team communication, sales presentations, as well as writing, speaking, and executive presentation skills.

She is qualified to administer the Myers-Briggs Type Indicator (MBTI), DiSC, and Thomas-Kilmann Conflict Mode Instrument.

Debra has completed graduate courses in adult learning at Montclair University and holds her B.S. in Business Education from Southern New Hampshire University. She is a member of the American Society for Training and Development (ASTD) and serves on the NNJ-ASTD Board of Directors as VP of Communications. She is also a member of the National Speakers Association (NSA), Society for Human Resource Management (SHRM), and the New Jersey Association of Women Business Owners (NJAWBO).

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