

# DELIVERING ON PROMISES TO THE MARKETPLACE: USING EMPLOYMENT BRANDING TO BUILD EMPLOYEE SATISFACTION

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**Addressing multiple stakeholders within and outside of an organization is crucial to communicating a brand promise effectively. Front line employees are responsible for insuring that customer contacts are positive experiences. In this piece, we explore how a company can measure and evaluate its employees' perceptions of the employer brand for use in facilitating commitment, recruiting and satisfaction.**

Increasingly, companies are realizing that delivering their brand promise to customers depends on how well they understand and manage the relationship between internal and external stakeholders. It is a realization that requires Human Resources and Communications to work together, connecting employees' efforts with the needs of the marketplace by fitting the right systems, rewards and integrated marketing communications to attract and retain the employees who will help them succeed. Ultimately, if a company is to create a competitive advantage in the marketplace, it must emphasize employees' satisfaction with their work life as a driver of external customer satisfaction and business results.

## The Link Between Employee and Customer Satisfaction

Perhaps the most famous example in the area of employee satisfaction and its impact on business results is that of the Sears, Roebuck and Company's mid-1990's turnaround. By gathering data on employee satisfaction, Sears learned that employee attitudes toward their job and the company had a greater effect on both employee loyalty and behavior toward customers than any other factors. Sears demonstrated this through a rigorous measurement process which identified a concrete link between employee satisfaction, customer satisfaction and ultimately, bottom-line financial results. They named this "The Employee-Customer-Profit Chain."

To drive results, Sears teamed with its managers to change employee attitudes and behaviors, creating a new sense of urgency and purpose centered on the company's new "Softer Side of Sears" service strategy. A clear objective behind this strategy was communicated to all employees and tied to the measurement

model: to make Sears a compelling place to work, to shop and to invest (Rucci, Kirn and Quinn, 1998).

## Building an Employment Brand to Increase Employee Satisfaction

While not defined as such, the creation of an employment brand centered on making Sears a "compelling place to work" was integral to the company's efforts to drive business results. The company's goal was to motivate employees by increasing employees' satisfaction with their "total rewards" system - all the tangible and intangible benefits which contribute to making Sears a "compelling place to work," including pay and benefits, management commitment, employee learning, and general working conditions.

An employment brand unifies a total rewards system by helping a company to manage and market the overall impact of its "total employment experience." An employment brand is not merely a

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logo, slogan, or overall graphic platform - although these are elements which may help unite and communicate the brand visually as well as verbally to employees. Furthermore, an employment brand cannot compensate for problems with the work environment. Rather, an employment brand can help facilitate discover-

ing weaknesses and help a company to pinpoint and develop the areas most valuable to motivating employees.

An employment brand may also be used to translate a company's external brand into a relevant message for employees. Sears realized that to be a compelling place for customers and investors, it had to also be compelling for employees who are ultimately responsible for delivering the external brand promise - the "Softer Side of Sears."

## A Case Study

Chicago-based Peoples Energy, a diversified energy business facing deregulation and increased competition for the first time since its inception, is utilizing both internal employment branding and external communication to manage the marketplace changes. External initiatives to address the challenges of deregulation include expanding Peoples Energy's diversified businesses, introducing a new customer service information system, and implementing an external brand awareness campaign centered on the theme, "Energy for you."

The "Energy for you" campaign, developed by Corporate Communications, was launched in the fall of 1999 to reinforce Peoples Energy's reputation as an energy company focused on meeting the needs of its customers rather than merely a traditional gas service. The external branding campaign included television, radio, bus advertising, and sponsorships. Actual employees were featured in the advertising and participated in the events.

Shortly before the campaign launch, employees received a videotape of the advertising, including a message from the company's chairman and president explaining the business rationale for implementing the campaign.

Realizing that any branding effort requires employees to make it a reality, the Human Resources (HR) division, working with Corporate Communications, translated the external brand into an internal employment brand aimed at helping employees to "live" the brand promise.

Based on employee and external customer research conducted as part of the campaign, the HR division created key messages around what "Energy for you" means to employees in the context of the company's overall work environment, or total rewards. These key messages (main ideas or themes) were used consistently throughout HR communication:

- To be "Energy for you" for our customers, our employees must be committed to quality service, care about our

customers, and be ready to address our customers' changing needs.

This message focuses on what employees need to do for the company to deliver its brand promise.

- There is "Energy for you" as an employee of Peoples Energy in terms of: an exciting, challenging work environment with growth and learning opportunities and competitive compensation and benefits to reward you for your contributions.

This is a direct message about the total rewards of working at Peoples Energy as they relate to the external brand promise.

- You, as an employee, are the energy of our company. We are a company of people.

This message acknowledges the company name and helps employees to understand that they are Peoples Energy.

- As we evolve into the leading Midwest energy provider, this is the kind of place where employees can gain experience and share in the success.

This message talks about the change going on in the company, and how the change may be unsettling, but has the upside of creating new opportunities.

In addition to key messages, a graphic platform, which includes the "Energy for you" logo, a color pallet, typefaces, and photographs of employees, was developed to facilitate communicating the brand internally. As with the external brand campaign, elements of the employment brand came together to project an image of HR and of the company in its entirety, as forward-looking, customer-focused, and results-oriented. The graphic platform was applied to all materials related to HR programs and services to help unite them under a "total rewards" umbrella and increase employee awareness and appreciation for the elements that contribute to their overall work environment. Templates for newsletters, bulletins, brochures, and Web pages were developed to minimize costs and create consistency across all HR communication - and to ensure that employees recognized and began to value their HR programs and services as a cohesive package, rather than fragmented elements.

The intended results of the employment brand are to both increase employee satisfaction with work life and to market Peo-

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ples Energy externally as an Employer of Choice. By improving the company's ability to attract and retain effective employees, HR and the company as a whole achieve their business missions. Additionally, by increasing employee awareness of the "Energy for you" brand promise, HR is helping employees to "live the brand" and ultimately improve external customer satisfaction.

## Using Employment Branding to Manage Change

As mentioned earlier, an employment brand is much more than a graphic "look" or a slogan; it requires a company to equip employees with the understanding, motivation and tools they need to deliver the promises being made to the marketplace.

For Peoples Energy, both its employment and external brands focus on the "energy of people." Thus, the company must ensure that its employees understand and are able to adapt to their changing work environment - where the pace is quickening and responsiveness to internal and external customers is key. To succeed, Peoples Energy will need customers to choose its service over others.

The process of integrating the company's brand promise into the organization began with the employees in the HR division. Because they deliver the programs and services that in many ways define the work environment and play an integral role in shaping the employment experience, it was essential to involve them and build internal commitment initially. Employees outside of HR were then targeted. The following are components of the change integration plan:

### **Gaining HR Employee Commitment to the Brand**

*HR Division Meeting* - A division-wide meeting/celebration was held to launch the employment brand, thank employees for their participation in its development, and distribute reinforcement materials (e.g., a mousepad with the employment brand to keep it "top of mind" as employees go about their work). A new HR vision and mission statement, part of a related initiative, was also launched at the meeting. The objectives of the vision and mission were to facilitate HR employees' cooperation and teamwork through a shared goal linked to the employment brand, optimize efficiency through an alignment of HR work processes, and energize employees with renewed pride and commitment to their work.

*HR Customer Service Training* - A training program is being developed to ensure HR employees know what key actions and

behaviors they need to demonstrate if they are to live the employment brand and deliver the internal customer satisfaction necessary to support the company's business units.

### **Creating Awareness of the Brand Company-Wide**

*HR Open House* - An open house was held to introduce the employment brand to the company and to market HR services and programs as a whole to employees. New employee self-service technology initiatives were showcased; health care and other program vendors answered questions. Additionally, information and "branded" give-aways were distributed. The event also helped to put a "face" on HR and project its intended image as an approachable, customer-focused division, existing to meet the needs of its internal customers.

*Total Compensation/Total Rewards Communication* - A new-employee benefits handbook and total compensation statement were distributed company-wide. Demonstrating senior management's support for the company's total rewards, the communication included a cover letter from the president featuring key messages around the employment brand promise. The handbook and statement also helped to consolidate fragmented HR communications and to increase employee awareness of the unique, total package available to them as part of Peoples Energy.

*Supervisor's Tool Kit* - A manual for new supervisors was developed to aid in transitioning to the new position. It includes information on all HR programs and services anticipating future supervised employees' questions. Supervisors are viewed as one of both HR's and the company's key audiences for its employment brand, given their influence and day-to-day contact with front-line employees.

### **Using the Brand to Impact Attraction and Retention**

*Employee Referral Program* - Recognizing that current employees are a valuable source of new job candidates, the Employee Referral Program was expanded to include additional hard-to-fill positions. A fun campaign centered on the employment brand was developed to encourage employee participation.

*Staffing Guide* - A Staffing Guide for hiring managers was developed to support HR's mission of attracting and retaining high-performing employees. It outlines the entire sourcing and staffing process to hiring managers and helps ensure the hiring process is a smooth, positive experience for new recruits - many of whom make a decision whether or not to remain with the company based on "moments of truth" experienced during the

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first days and weeks on the job.

*Recruiting Materials* - The employment brand has also been applied to the company's recruiting booth and materials used at job fairs. Messages around the unique total rewards of working at Peoples Energy are included on handouts and the company Web site.

### ***Creating Employee Development and Reward Programs to Support the Brand***

*Performance Management Process* - Along with attraction and retention, developing employees is critical to a company's success. Recognizing that HR is in a unique position to promote behaviors employees need to exhibit if they are to live the brand promise, the department is rolling out a new performance management process based on a set of Core Behaviors. One key behavior is "customer focus." The Core Behaviors are being communicated in a way that is consistent with what Peoples Energy is trying to accomplish in the marketplace, namely to be a company of people who deliver caring, reliable service. The performance management process provides a method to measure how well employees are understanding and exhibiting the Core Behaviors. While no direct rating is assigned to each behavior, an employee's overall performance around the Core Behaviors is incorporated into their review and impacts merit increases and incentive awards.

*Targeted Selection Process* - The Core Behaviors that are part of the performance management process are being integrated into a targeted selection process to help the company hire the right kinds of customer-focused employees from the get-go.

*Training* - The Core Behaviors are also being integrated into company-wide training programs designed to address the gaps between employees' skills and the company's brand promise. This will build on the customer service program being developed for HR employees to help them understand what "caring, reliable service" means from a support function's perspective.

*Spot Rewards* - An informal program to reward employees with small awards, such as movie tickets, is being developed. Managers and employees will be given the discretion to reward behaviors aligned with the employment brand promise. Initially the HR division will implement the program, which will later extend to the rest of the company.

## **Measuring the Impact of an Employment Brand**

Measurement is integral to the entire brand development process, from the initial environmental audit and employee research to ongoing assessment.

With the recent employment brand launch, Peoples Energy is in the process of assessing its impact from three sides: employee satisfaction, customer satisfaction and the company's effectiveness in managing human capital. These three measures are linked to the company's goals to increase both employee and customer satisfaction, ultimately driving business results by attracting and retaining necessary talent.

*Employee Satisfaction* - After launching its employment brand, the company administered its first HR employee satisfaction survey, measuring how well HR employees understand the division's vision and the extent to which the current system supports that vision. Employees were also asked to rate their satisfaction with their pay, benefits, supervision, and other elements of their total rewards package.

Other divisions are also conducting employee satisfaction surveys, including questions measuring satisfaction with the total rewards program. Thus far, employees generally are satisfied with their total rewards, although action plans are being implemented to ensure supervisors and managers are "walking the talk" of the employment brand promise.

The distribution of communication materials is also seen as an opportunity to gauge employee satisfaction. For example, the total compensation statement described earlier contains a survey card asking to what degree the statement helps employees to better understand and appreciate their total rewards package. Results are due shortly.

*Customer Satisfaction* - An HR customer satisfaction survey is being sent to HR's key internal clients - supervisors and more senior staff - asking questions focused on the division's management and delivery of HR programs and services. Messages and questions specific to the employment brand are included. Results will be measured against the customer satisfaction survey completed one year earlier. The survey will be conducted alternating years in the future.

*Human Capital Effectiveness* - The company's first Human Capital Scorecard, is being developed to evaluate the HR division's mission of attracting, developing and retaining high-per-

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forming employees. The scorecard will measure variables such as: the amount of time needed to fill positions and effectiveness of new hires (attraction), percent of employees trained and effectiveness of training (development), and total voluntary separation rate (retention). The scorecard is to be shared with company management via an annual report.

All these measurement tools are being used to assess the ongoing effectiveness and impact of the employment brand. It is still too early to assess the initial results, however the brand development process at Peoples Energy is anticipated to:

- Increase employee satisfaction through a greater appreciation of the "total rewards" gained from working at Peoples Energy - and ultimately impact the company's ability to attract and retain talent
- Build external customer satisfaction by helping to increase employee awareness of the external brand as well as develop and reward the behaviors employees need to exhibit if they are to deliver on the brand promise

## Conclusion

Today's highly competitive market for both customers and employees suggests that companies must do all they can to differentiate themselves through both employment and external branding. This challenge is creating new opportunities for communication professionals to utilize integrated communications by bringing Human Resources and Communications together to focus on a common goal.

Differentiation begins by capitalizing on what is unique about a company's "value proposition" to the marketplace and linking it to how the total employment experience for its employees is unique. By increasing employee appreciation and satisfaction with work life, a company is better positioned to attract and retain the talent it needs to deliver its brand promise to the marketplace.

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**"In the years ahead, even a well-tuned business engine won't be enough. The winning organizations will be those that can create human engines, powered by turned on, committed, responsible employees."**  
**- Noel Tichy, renowned business author**

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## References

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