Strange Bedfellows

Could HR be marketing’s new best friend?
In most companies, brands get limited traction outside of the marketing department. Historically, marketing has meant external communications and customer insights, so it generally has limited internal influence on employees’ day-to-day activities. However, the world of brands and marketing is realizing that, to truly create a successful external brand, an organization’s employees must be included. Marketing must shift its thinking about the brand and, perhaps most important, the internal partners with which it must collaborate.

The divide between marketing and the human resources (HR) department has developed under the banner of “we have different audiences and different objectives.” The tension has grown by comparing ownership of initiatives like corporate vision and values vs. brand vision and brand values; internal communications vs. external communications; employee development vs. business development, and so on. Today, marketing and HR are realizing that, in creating sustainable change inside and outside the organization, the two functional areas need each other to survive. It is no longer one or the other; it is now “we are stronger together.”

A truly collaborative partnership between the two departments can create a new kind of company with a culture and related behaviors that are on-brand, on-strategy, and ultimately more effective at delivering bottom-line results for the business. The notion of marketing and HR becoming bedfellows is not so strange when you consider the symbiotic requirements they both share and the tremendous benefits they deliver to an organization and its customers.

HR Supports Marketing
In fact, there are compelling reasons for marketing to team up with HR. These include HR’s ability to “attach” the brand message to departmental areas where it may not previously have had a presence, and to provide marketing and brand access
Companies are increasingly realizing that, for brand and business strategies to be aligned, the brand can no longer be driven solely by the activities of the marketing department. Delivering against the promises of a company’s brand strategy requires every level of the organization to live the brand. Employees must not only accept these strategies, but actually change their behaviors and “walk the talk.” However, integrating the brand into all facets of an organization does have its challenges.

to employees in departments that may not have been recognized as needing that information in the past.

HR’s primary constituents are the company’s internal employees. With that audience, its work is truly cross-functional and company-wide. Therefore, in realizing that a brand’s strength lies in its delivery and not just its communication, HR can be an effective conduit for influencing employees through recruiting, new employee orientation, training and development, performance evaluation, and compensation. By infusing the content of the brand into the programs, a brand-based culture starts to emerge.

One company we worked with makes a concerted effort to present a united front during new hire orientation, giving new employees a full day of introduction to the firm that includes basics about the facilities, the history of the company, the vision and key objectives for the future, and the strategies to achieve the stated vision. This is a most opportune time to involve the new employee in what the firm’s customers want and what the firm is doing to satisfy them. Imagine a one-hour discussion where a video is played of customers speaking about their key needs and wants. This video is then followed up by how the firm is planning to address these needs. External communications can then be shown, viewed in the context of solving these important issues. The combination creates a powerful story, enabling new employees to understand the customer and business better, understand they must behave in a certain way, and see the promises being made to customers by the firm. HR and marketing are completely intertwined in the story, and the result is a new group of brand ambassadors.

We also saw this collaboration in action at a global technology firm that used an interesting contest to create deeper appreciation and understanding for the new brand they were developing. HR and marketing teamed to develop a series of CD-ROM trading cards that had questions about how people would act if they were the brand. Once five questions were answered correctly, the card was traded for another. The first people to collect all six cards won a prize. This created an international network based on the ideals of the brand. Cards went back and forth to all corners of the globe. The more people got into it, the more distribution the cards received. The end result was an incredibly effective internal communications program.

As illustrated, HR can play a key role in helping marketing develop internal communications that demonstrate how employees “live” the brand. David Aaker, author of the new book, *Brand Portfolio Management* (The Free Press, 2004), asserts that the concept of internal role models is one of the most effective ways to enlist a broader population of employees. Traditionally, in change-management initiatives, these people are called “change agents.” They are people that embody and live the ideals of the brand and are individuals respected by many people in the organization. By identifying these individuals and aligning their messages and behaviors, a very powerful force of internal role models is created for employees to emulate. No other function is more capable of identifying and encouraging these employees to participate than HR.

**Marketing Supports HR**

The HR department also benefits from close collaboration with its marketing colleagues. By making its target audiences, positioning promises, and marketing strategies available to HR, marketing can bolster HR’s ability to attract and retain employees that believe in and will support the company’s brand and business strategies.

HR is increasingly discovering how marketing can help it attract and retain employees, which is critical in the ongoing competitive war for talent. Research has shown that a variety of factors play into what attracts the best candidates to a career opportunity, many of which rank equal to or higher than financial compensation. Sought-after candidates want to work for a company that reflects their own ideals and aspirations and maintains a strong customer focus.

A global services company recently conducted research on its recruiting efforts and found that there has been an evolution in how potential employees look at career opportunities. For example, it’s no longer good enough to offer a long career; recruits today are seeking companies that clearly help them build their own market profiles. Candidates are seeking companies they can place on their resume that will build their overall market value, which suggests that marketing and the brand play an ever-increasing role in attracting the best talent. The brand is becoming a primary decision tool for recruits when considering a new career opportunity.

It’s important not to forget that employees are often also your customers. They are learning about the organization from the outside world as well through their exposure to the company’s external communications. Many HR departments have realized the potential here: IBM (when it launched e-
business), JPMorgan (with the “I am JPMorgan” campaign), and Southwest Airlines all spoke to their employees through their external advertising initiatives. These efforts built a great internal sense of pride in the companies and clearly communicated what the organization hoped its employees would deliver to customers. It also communicated a promise that included the employees.

This has elevated the importance of branding and increased HR’s reliance on the marketing department to provide it with processes for developing internal and external communications that support the brand promises the company is making in the marketplace. The marketing group’s in-depth understanding of the customer and its ability to develop communications targeted at this group can help HR determine what tools and messages will help current and potential employees deliver against the brand promises.

HR can accomplish this by leveraging the credibility marketing has acquired as a result of its focus on the customer. Generally, the marketing department “owns” market and customer research and thus has the greatest insight into the needs of the market. Whether employees believe in the concept of brand or not, they will always listen when being told what their customers want and how best to deliver against these needs. Providing them the sort of actionable data that’s a specialty of marketing will help turn employee attention to other areas that support the needs and goals of the business, in turn making them ambassadors of the brand.

Brand Ambassadors

But creating such sweeping attitudinal change can be problematic. Changing behaviors is not a simple task, and many impediments block a successful implementation. These impediments include compensation systems that are not aligned with brand building, lack of senior management commitment, desire for immediate results, and management vs. leadership of an initiative.

Imagine if you worked in a call center for an insurance company. Typically, you would be compensated based on the number of calls you handle, not the depth and length of the calls. Now imagine the insurance company came out with a brand strategy where the company would understand customer needs better than anyone else. The compensation structure for the call center representative is actually prohibiting the desired experience from taking place. There is virtually no way customers are going to perceive that they are well-understood if they are handled according to the current measurement system. While this example is somewhat simplistic, it’s illustrative of a problem faced by organizations of all sizes. How do you align the motivating factors of compensation with the promises the company must keep with customers?

Not only do HR and marketing need to know how the brand translates into specific employee competencies, but they also need to assess how these competencies deliver convincing customer experiences through distinct employee actions.

One company we worked with established a small task force with representatives from both HR and marketing to identify what competencies the target employee should have from the brand, business, and HR perspective. It was a rather lengthy but important process, as those competencies would become the foundation for the company’s compensation and recruitment processes and therefore establish a behavioral role model. After primary and secondary research among employees and customers and multiple global workshops and teleconferences, a new target employee emerged. The target came complete with competencies, associated actions, and professional experience requirements by level.

Having gone through the process together, marketing and HR had full clarity concerning what competencies this employee possessed and how these competencies were mani-

How many “living the brand” initiatives have failed because they were nothing more than communications and a new mouse pad?
while the marketing group owns the values the company wants customers to experience. Each fights to keep its set of values and neither actually achieves its objectives. Each of these sets of values should be virtually the same. Since both departments are hoping to affect the behavior of employees, the message needs to be consistent.

Another impediment to making employees brand ambassadors is the rush to achieve immediate results—a great temptation when it comes to organizational change and brand development. With all of the work that goes into developing a strategy, many companies hope they will see immediate results. But it just doesn’t happen when you’re asking an organization to think and act differently. Short-term results are quicker to achieve but rarely sustainable and are usually a result of specific instructions from management. Sustainable change, like enabling employees to see why they must think differently, comes from true leadership—managers demonstrating that changing the way employees think contributes to their personal commitment to the initiative ideals. Combining HR and marketing initiatives into a single program or initiative affords leaders greater clarity and focus and ultimately leads to more effective business results.

One such initiative was implemented at a global financial services company to determine the most effective way to attract the most valuable talent. A cross-functional, cross-geography, cross-business team that included marketing and HR was used to create a strategy. The outcome was a project that was single-minded, that enables the organization to hire the kinds of people who are able to deliver the brand promises, and is completely aligned with the external messages being communicated.

**Collaboration Partnership**

Truly reaping the benefits of collaboration between marketing and HR requires a solid partnership that strengthens the company’s efforts to bring its brand to life internally. At Goldman Sachs, for example, the brand is at the very core of the company’s culture. Each employee lives the Goldman Sachs brand—a result of a conscious effort to integrate the efforts of marketing and HR from strategy development to implementation. This sets the company apart and receives partial credit for the company’s industry leadership.

Internally, marketing employees talk about cultural practices, not branding programs. Recasting branding programs in this light is a far more effective way of engaging employees. Externally, marketing highlights the elements of the Goldman Sachs culture that are most important to its targeted customer segments. HR and marketing work together to ensure brand and business alignment during the intense new-hire training program. Among other things, the program explains how Goldman Sachs’ culture and values relate to the client experience. Continuous employee research, including internal surveys, focus groups, and roundtables with senior management, are conducted to ensure that company initiatives always meet employee and customer expectations.

The biggest challenge that companies face in replicating the Goldman Sachs model is that integration isn’t natural. Companies typically view vision, culture, and brand as distinct elements to be handled separately by different departments. Often, the company’s vision resides with the management committee, its culture within HR, and its brand within marketing. This not only puts the company at risk of a strategic misalignment, but is also a source of tremendous internal and external confusion.

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**Bridge the Gap**

So how can companies bridge the gap between marketing and HR, brand and culture, and inside and outside in order to better assimilate the brand internally?

Strategic alignment of company objectives, marketing and employee objectives, and ultimately communications to all constituents is the most critical prerequisite for success. It’s not enough that marketing requests HR’s assistance in implementing brand values across the firm or that HR requests marketing’s help in adapting tools for HR purposes. If the goal is to deliver greater business value, the two departments need to work together seamlessly. The first step in forging this relationship is for each department to develop respect for the other’s expertise. A mutual understanding can be achieved by slating a meeting of the minds where strategies can be exchanged, synergies can be discussed, and overlaps in responsibilities can be resolved. The alignment is best developed around the business objectives, not the departmental objectives. It’s not about raising awareness with customers, nor is it about diversity. It’s about delivering more profits to the bottom line.

Once marketing and HR are philosophically aligned, specific strategies for attracting and retaining employees and for the integration of the brand throughout the organization need to be discussed and agreed on. The two groups must proceed with a shared objective and a willingness to work together for a common purpose.
A shared objective, for example, might be to turn the company into a technology leader. On the HR side, supporting this objective would involve evaluating employee characteristics, rewards and compensation, management systems, and cultural values. Marketing’s task is to specify the traits that are critical from a brand perspective (e.g., employees need to be creative and constantly pushing the envelope), then work with HR to define how these are translated into behaviors that are embedded into processes and systems. That’s because the proof lies in the execution, not just in the promise. Another example of a shared objective might be generating employee excitement about recent company achievements or changes in strategic direction. Often, internal campaigns or employee contests are held where marketing leverages its work in external communications, or maybe sponsorship relationships, to bring additional flavor or interest to HR’s employee activities.

After the two groups have developed their strategies, it comes down to implementation. The first step in this phase is to assess what needs to be done collectively and as individual functions. This is the time to see if things like rewards and compensation systems, training curriculums, and brand and recruitment communications are aligned with HR and marketing strategies. If not, this is the time to see that it’s done. Once the tasks to align marketing and HR are outlined, a plan should be created that details how the brand is reflected across all key initiatives and the scheduled rollout for each initiative, complete with a summary of the roles and responsibilities of all those involved, sample brand actions, and/or language to be used.

Executing the plans becomes the responsibility of the functions themselves. However, there should be some joint management structure that enables frequent assessment of progress and required course corrections. This can be a steering committee made up of senior representatives from the two departments or it can be more of a joint working group that rolls up its sleeves and meets frequently to hammer out progress details and enable each others’ programs.

**Brand Alignment**

The brand’s alignment is critical for the implementation phase to be effective. A key step is for marketing to stop talking about the “brand.” The reality is that “brand” is merely a buzzword to many in the organization, and discussions around it often generate indifference. A better way to infuse brand into business practices is to relate it directly to employee benefits using language like: “If you act in this way, you will achieve these results.” For example, telling a business machine salesperson that they have to treat their clients with kid gloves may not get the same response as if you said that their clients are looking to place business with someone that really takes care of their requirements.

It’s also essential for marketing to be proactive in sharing the promises they intend to communicate internally with employees before the external market actually hears them. BMW Group, for example, has had great success cultivating enthusiasm and motivating employees by sharing its advertising campaigns with employees before they hit the general market. At Southwest Airlines, HR and marketing developed a list of eight employee “freedoms” to summarize the employment experience at Southwest, thereby creating an internal side to the external brand story. The brand identity of “freedom” internally has become: “At Southwest Airlines, freedom begins with me.” As a result, employees know exactly what kind of experience they are to create. Successful brand alignment, as such examples illustrate, will help employees and the company as a whole to naturally act on-brand with an on-brand customer experience to follow.

The monitoring and management of the collaborative efforts is ongoing, and marketing and HR should provide updates on progress and relevant information regularly—at a minimum once per quarter. Measuring results can be done in a variety of ways, but conducting quantitative surveys and holding focus groups are two of the most effective. And while HR should continue to monitor the pulse of employees, marketing must stay focused on how best to deliver against the needs of the company’s stakeholders. The combined results of internal understanding of the brand, quality of delivery at critical touch points, and customer awareness/loyalty to the brand should be reported back to the leadership team to ensure they have the necessary information to keep brand and business strategy in alignment.

Just how important a story HR and marketing can tell when the two work in tandem is illustrated by the results of HSBC’s (Hong Kong Shanghai Banking Corporation) Global International Brand Survey. This survey is conducted periodically to test how well all 300,000 employees understand and live the brand as reflected by how they answer 10 statements. Results from the study are compared with a customer metrics system. In an interview with Peter Stringham, group general manager and head of marketing for HSBC, we learned that results correlate strongly. Branches that score high on “living the brand” have a tendency to score higher on both customer satisfaction and brand purchase consideration.

HR and marketing might not be natural bedfellows, but experience shows that, when they do cooperate and work together, an increase in successful recruiting, overall employee understanding, and support of the brand (and thus the work of the marketing group) follows. With a simple formula of communications and coordination, companies can create a strong foundation on which to build a compelling brand and strong culture and drive significant business impact.

**About the Authors**

Both of the authors work at Prophet, a management consultancy specializing in integrating business, brand, and marketing strategies. Jeff Smith is an associate partner in the Zurich office and may be reached at jsmith@prophet.com. Kristiane Blomqvist is a senior associate in the London office and may be reached at kblomqvist@prophet.com.