

The Employer Brand[®]

Bringing the Best of Brand Management to
People at Work

Simon Barrow and Richard Mosley



John Wiley & Sons, Ltd

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To Sheena Barrow and Fiona Mosley

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Preface

Books like this tend to get written for two main reasons. One is when the approach is new and the creators believe they have a missionary role to introduce a new point of view that will change the way everyone thinks. The second is when the area is well established but the writer wants to add a new dimension to a subject. This book combines aspects of both. For many this will be the first time they have come across this way of thinking. For others, the concept will be familiar, but its scope of application will be uncertain. Whichever camp you inhabit, we hope that this first book on the employer brand leaves you clear about its meaning and motivated to put the thinking into practice.

Given that I spent years in the advertising business before my work in human resources, here is a story about two books that have acted as models for this one. The first is Rosser Reeves' classic *Reality in Advertising*, a book that changed the way in which advertising is assessed and measured.^{1*} Years ago at the Players Club in New York I met Charles Roman the copywriter who created Charles Atlas who gave hope to '97-lb weaklings who had sand kicked in their faces' on the basis that 'you too can have a body like mine'. Roman showed me a battered copy of Reeves' book in which the master had written: 'to Charles Roman who has been practising reality in advertising all of his life.'

David Ogilvy, the founder of Ogilvy and Mather, wrote a different kind of book about the same subject but it was more a celebration of what he thought was great about the business when it is done well. It was called *Confessions of an Advertising Man* and, with wit and grace, described his experiences and the philosophy that had built his agency.² It contained gems like 'the consumer isn't a moron she is your wife', 'salesmen

* Superscript figures relate to the References section at the end of the book.

don't sing', and the power of long copy, 'the more you tell the more you sell' accompanied by a brilliant description of the benefits of the Aga cooker written when he was a salesman for this new product in the 1930s.

Where does this book on the Employer Brand fit into such a format? The employer brand concept has already achieved substantial awareness among the HR community worldwide. In 2003 an employer brand survey conducted by *The Economist* among a global panel of readers revealed a 61% level of awareness among HR professionals and 41% among non-HR professionals.³ Total awareness in the UK was 36%, with the highest awareness levels recorded in the USA (42%) and Asia-Pacific (45%). Of the 138 leading companies surveyed by the Conference Board in 2001, 40% claimed to be actively engaged in some form of employer branding.⁴ Conference companies have been running events featuring the employer brand since 1996. I wrote this on the way back from running the first employer brand workshop in China and in recent years have spoken in most major markets.

SO WHY NOW?

The number one reason is that this approach lacks the definition and established rigour it needs. 'Employer branding' is too often limited to the look and feel of recruitment advertising or internal communication campaigns to sell the benefits of the employer as 'a great place to work'. These perspectives lack the depth that any recognition of the reality of the employment experience must have if it is to carry weight with employees actual or potential. Here is the definition that Tim Ambler of the London Business School and I wrote in 1996:

We define the Employer Brand as the package of functional, economic and psychological benefits provided by employment and identified with the employing company.

*The main role of the employer brand is to provide a coherent framework for management to simplify and focus priorities, increase productivity and improve recruitment, retention and commitment.*⁵

Secondly, we believe that, like good marketing, this is a fundamental approach to the way people are managed, listened to and involved. It isn't a fad. It is a way of working that will last indefinitely. Procter & Gamble

created the brand management concept in 1931 and it has remained the basis for running effective customer-facing businesses ever since.

Thirdly, we believe that the Human Resource community needs this approach to provide the clarity, the focus and the internal platform that they need to pull together the plethora of activities that make up their responsibilities. We have seen the emerging strength of HR people when they have grasped the concept of employer brand management and it has provided them with the coherence and the zeal that marketing people have long demonstrated. This book is primarily for them and we hope that it will provide a touchstone and perhaps some inspiration. The employer brand approach is a powerful one but only when the sponsors are powerful and HR must be able to match the pitch of this ball. If they do not, then others will step into the vacuum. We are starting to see this happen with titles like 'Talent Manager', 'Resourcing Manager' and other initiatives from Organisational Development, Internal Communications and Marketing.

However, the message of this book is also needed by senior management. We will argue that the employer brand, and their personal commitment to it, can make a valuable contribution to overall corporate success. When management was about the command and control of hourly paid muscle workers in an environment that favoured capital rather than labour, then perhaps these thoughts were less relevant but those days ended years ago.

Returning to the themes with which I started this preface, this book has two authors, and in some respects represents two books in one. I will describe the origination of the Employer Brand concept and the circumstances that are demanding its acceptance by senior management. My colleague, Richard Mosley, will describe some of the practical steps involved in applying employer brand thinking to your organisation. We hope that this combination of context, motivation, and 'how to' will prove an effective formula.

This book could not have been written without the experience we have gained from the clients of People in Business, in particular Hiscox, Premier Oil, Unilever, Manpower, John Lewis, The Crown Prosecution Service and Man Investments, among others. We also want to thank those who have given us their time, including Tesco, Sainsbury's, Reuters, Microsoft, the BBC, Compass Group, Nationwide Building Society,

Orange, Vodafone and Sir Martin Sorrell, CEO of WPP, who is responsible for managing one of the most complex employer brands on earth.

Richard and I hope that this book will be useful, inspiring and relevant and that it will provide a helpful basis for all those who are endeavouring to make the employment experience in their organisations both attractive and mutually profitable.

Simon Barrow

March 2005

Part I

The Rationale for Change

Simon Barrow

When I first thought of the idea of the Employer Brand it struck me as utterly obvious. There I was in a new HR-facing job and searching for the templates that had helped me to be a consumer goods brand manager and then CEO of an advertising agency in London. Good ideas often strike their creators as obvious probably because there is an urgent need to go about doing something in a better way.

In this case it was my arrival as CEO of a personnel business. In those days it was known as Charles Barker Human Resources, and it was part of the same group as the advertising agency I'd been running, which had recently been sold to our US partners NWayer. I found myself in charge of an efficient factory producing 100,000 job ads a year, working for over 2000 clients and producing 5 million copies of house newspapers, dozens of graduate recruitment brochures and internal communications artefacts. Demand was driven by HR people within client organisations who themselves were under pressure from line managers seeking to fill jobs fast. Where, I wondered, was the agency planning and the research necessary to create a strategy that could pull together the organisation's efforts and guide not only the creative work but also the overall approach to the employment experience? If this was a consumer brand you wouldn't run it this way, but of course it isn't one, it's something else: it's an Employer Brand. That was the moment I saw things differently and have been trying to apply this perspective ever since in the 18 years that I have been involved in helping organisations to succeed by bringing out the best in their people.

I was lucky to have had the consumer goods experience that Colgate-Palmolive and Best Foods (now part of Unilever) had given me. The Prime Minister Harold Macmillan once said that it helped just once

in a life to be associated with something that was absolutely first class, and that's how I felt about the eight years I spent in brand management. I was given responsibility and influence, though not power, on everything that was likely to have an effect on the health and strength of a brand. This included being expected to know the facts and have an opinion on the formula, packaging, identity, distribution, pricing, promotion, costs, margin improvement, advertising creative work, media selection, consumer and trade research. I was also expected to have the same information for each competitive brand. Brand management was created by Procter & Gamble in 1931 and has been taken up as a fundamental discipline ever since. It seemed reasonable to see what could be done to apply this thinking to the employer brand experience.

One of the factors that attracted me to Colgate as an employer was the location. Back in the 1970s it was just about the only top-ranking consumer goods business still based in Central London. Most were elsewhere: General Foods to Banbury, Mars to Slough and P&G to Newcastle. When I arrived there I found a remarkable group of fellow brand managers who found London life good for them both corporately and personally. They have all achieved something special since – Barrie Spelling, David Enfield, Tim Chappell, John Plackett, Patrick Bowden, and Martin Forde among others. I have sometimes wondered if the company ever considered the location aspect and whether the culture has changed markedly since moving to Guildford. They also paid better. When I moved there from Best Foods my basic salary rose 40%. There was no apparent career planning and I don't recall contact with anyone with an HR title. You were expected to make your own luck and, if you were any good, were to be ready and able to move to another Colgate location anywhere. That happened to me when I was 33 with an offer to move to Benelux as Marketing Director. The offer was made on a Thursday with a decision expected the following Monday. It was time to find a more independent life and after a few months I moved to the embryo consumer advertising business of the Charles Barker Group.

In terms of Employer Brand thinking, Colgate gave me the theory and practice in managing all the elements that make up a brand. Charles Barker provided the people management aspects, which ultimately are the key success factors, as Charles Barker was later to find out to their cost. After four years as an account director I became Managing Director