
INTERNAL MARKETING: From Recruitment to Retirement

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Modifying the customer satisfaction paradigm so that we think and behave as though employees are internal customers fits the Positive Employee Relations model perfectly.

Positive Employee Relations is designed to create the type of organizational culture that meets everyone's needs to the extent that unions are not inevitable. Creating this type of culture depends heavily on the internal marketing process.

Internal Marketing

Internal marketing begins with the recruitment stage. This means that when recruiting new candidates, we must treat them like customers and conduct employment interviews as though they are important. Be on time. Conduct interviews in a private office. Take a "professional" position rather than a "power" stance. Ask good, open-ended, and insightful questions to determine how each candidate thinks, makes decisions, and communicates with others. Be an active listener.

The "interview to job offer" ratio is high for a good employer because a good employer works hard to find people who fit the company culture. This is as it should be: being hired by an employer of choice should be a privilege, not a piece of cake.

The successful candidate should feel valued by being chosen. By contrast, an employee who lands a job because he or she is seen as a warm body is hardly going to feel privileged to work for the organization.

Orientation and Training

You want to assure your newly hired "internal customers"

that they made the correct decision in joining your organization. So let them know about the benefits of working for you.

Too often the word "benefits" is limited to insurance-sponsored benefits. Not so. Benefits coalesce around the job and the responsibility, authority, and accountability equation that goes along with it.

Newly hired employees want to know that they have been hired because of their competencies, their experience, their ability to think clearly, and their ability to make good decisions. No one wants to be just another payroll number on the time sheet.

Communication

The most effective way to communicate is face-to-face. All other communication methods are of secondary value when compared to the opportunities for clarity, listening, and intuition that are available through one-on-one communication.

Though the most effective, it is also the most time-consuming, and therefore is the most costly. For this reason, and because most front-line supervisors are not adequately trained as communicators, the face-to-face approach is left for a few critical events—employment, performance feedback, discipline, and termination interviews.

The least effective way of communicating with employees is in writing. Some employees don't read well, some read very selectively, and others complain that the writing style lacks clarity or enthusiasm, or is just too wordy. Whatever the reason, just watch how many pay envelope/packet inserts get thrown in the trash in the mad

rush to see the amount of the paycheck.

So what is the effective way to communicate? Unfortunately, there is no simple answer. It depends on the sender and the receiver.

For example, in an advanced technology workplace (where the average employee level of education is likely to be university or college), a computer-driven overhead presentation might work well. In a multi-branch/site organization, electronic communications may achieve the results, whereas in a factory located in a multicultural metropolitan city, translators may be needed because of an illiteracy factor and because English may not be the first language of many employees.

The most effective communication method may also depend on the topic being communicated. Promotion about the company picnic is very different from that of an individual's retirement plans and options.

When the topic is simple and straightforward (for example, the date and location of a company golf game) and the employees' comprehension level is high, then a complex communications strategy is not required.

If, however, the organization wishes to communicate information about its Positive Employee Relations program and the benefits to employees of the one-to-one relationship it has with the leadership group, a simple poster or short article in the newsletter *will not do*. Considerable time is needed to plan such a campaign—to clearly understand the employees' perception about a job satisfaction/dissatisfaction platform, and to know which

features and benefits to highlight.

The Role of Recognition

Most people, regardless of job responsibilities, work for two fundamental reasons. First, to earn the financial resources to ensure that their basic, psychological, and, to some degree, social needs are satisfied and secure. Second, people work to achieve their higher-level needs of self-esteem (or self worth) and self-actualization (or creativity at the core of their being).

It is too often the case that people cannot satisfy these needs at the workplace because their job has little inherent depth or substance. So, they seek to satisfy these needs outside the workplace and we, as employers, miss a significant opportunity.

Just think about all the creative talent that leaves the workplace at the end of the day: craftspeople, writers, computer wizards, artists, volunteers, musicians, politicians, Olympic-class athletes—the list goes on.

Ask employees to think smarter, harder. People who experience their supervisor as one who challenges their thinking, innovation and creativity are more likely to build a quality professional relationship than those who see their leader as a task master.

Further, recognize and reward the results and the efforts of employees who put their brains to work for the organization. Nothing does more to satisfy employees' self-esteem and self-actualization needs than genuine and deserved recognition of the work they perform.

Countless human resource research projects have confirmed that one of the most frequent employee complaints is that their efforts are not recognized by their employer. Although supervisors/managers often say that their most

valuable resource is their human resources, they don't always behave in ways that make employees feel truly appreciated.

Unfortunately, it is quite common to criticize employees when things go wrong, and far less common to acknowledge their successes in a formal way. *Only you, as the employer, have the power to recognize employee achievement. Don't let such an opportunity slip by.*

Principles of Recognition

An effective recognition program will reward employees for behaviour and performance that is consistent with the organization's values and goals. Leadership and employees know that if something is not formally rewarded, it is not a priority.

Companies that run recognition programs consisting entirely of long term service awards are sending a clear message that seniority is the greatest achievement an employee can attain. Surely there are better ways to maximize employee contribution without using a union tactic. Seniority forms a core value in unions, and this is why the trade union movement handles seniority-related recognition better than most employers.

Employees who believe that their efforts lead to rewards become productive and stay productive because the rewards meet their expectations for self-esteem. Organizations then develop the capacity to attract, retain, and encourage a motivated work force. Recognition encourages people to become excited about their workplace and the work they do.

Recognition Program Guidelines

When customizing your own recognition program the following 10 guidelines may provide a useful starting point.

1. Rewards must be clearly tied to values and objectives.

Leaders often assume that employees intuitively know what is expected of them. But specific behaviours must be encouraged by positive consequences. We must work at increasing the behaviours that will help us achieve core organizational beliefs and goals.

2. Goals and rewards must be well understood and publicized.

All employees need to know exactly what they must do to earn a particular reward. Goals should be as specific and measurable as possible.

Providing information to employees on how well they are progressing towards goals keeps motivation and enthusiasm high. If employees know how much farther they have to go to achieve a goal, they will be much more likely to get there.

A recognition program will only be as important to the employees as it is to the leaders who sponsor it. If supervisors/managers are lax in promotion and enthusiasm, the employees will care less too.

3. Rewards must be perceived as fair.

If employees believe that only those personally favoured by supervisors and managers will be rewarded, the recognition program will have a *negative impact* on morale.

Steps to reducing charges of favouritism may include setting measurable objectives or performance goals and seeking peer input into nominations for recognition.

4. Goals must be realistic.

Competition between individuals or departments can lead to a reduction of team spirit and even to the sabotage of one another's efforts. An organization's beliefs and goals should not become the victims of competition.

Cooperation and collaboration, rather than competition, are Positive Employee Relations values. It is preferable to structure rewards so that criteria are based on reaching a measurable objective rather than on merely being better than others. In this way all strong contributors will be rewarded rather than only the individual with the best performance.

5. *The cost of the award is less important than the prestige associated with winning it.*

The Recognition Program is in place to address employees' self-esteem needs, whereas the paycheck is there to take care of the monetary needs. Public acknowledgment is very powerful; it makes employees feel good about themselves. An article and/or picture in the organization's newsletter or the community newspaper lets employees bask in the glow of the spotlight—something they may not experience very often.

Similarly, a plaque or gift is a symbolic representation that serves as an ongoing reminder of things done right. Team clothing, watches, or mugs can be displayed with pride to improve feelings of belonging. Lunches or dinners can make the employees feel special and important. Giving cash is nice, but the effect usually lasts only as long as the money does.

6. *Just as with food, presentation makes a difference.*

Management creates the symbolic worth of a reward through the manner in which it is presented. By carefully structuring who presents the reward and when and how it is presented, leaders invest in the award a worth that is many times its financial value. It is essential that the presenters clearly cite the accomplishment, and sincerely express appreciation. As well, the higher

the status of the presenter, the more impressive the presentation. Thus, senior executives will often present the most significant rewards.

Whenever possible, award presentations should be made in the presence of all the employees. The symbolic significance is greatly enhanced by the presence of others, and the effects on employee attitudes are much more profound as a result.

7. *Rewards should be customized when possible.*

What works for one organization or one department may not work for another. While it is certainly easier to have a standard list of rewards to be distributed when necessary, it doesn't take a lot of extra time to match the rewards to the people who are receiving them.

For example, one group may wish to have team hats emblazoned with the company logo while another group may greatly prefer t-shirts or coffee mugs. One person may wish to have an extra vacation day, while the next might prefer lunch with his or her partner. Making a contribution to an employee's favourite charity is another option.

8. *Give rewards as soon as possible after the goal is reached.*

One reason that wages make a poor primary reinforcer is because it is so difficult to connect the money to the actual effort. A paycheck does not increase proportionately from one week to the next, even though an employee has gone to the effort of putting in that extra mile.

Some recognition programs fail because by the time the rewards are given out; people can barely remember the work they did to earn it. It is like telling a student to do an onerous homework assignment because it will really pay off one day.

As a rule, we humans have a hard time stretching ourselves today for a benefit that seems far in the future. Therefore, distributing rewards on an annual basis will almost certainly ensure failure. Of course, in some cases circumstances make it impossible to give awards immediately, but the sooner they are given, the more influential they will be.

9. *Recognition Programs need periodic adjustments.*

It is reasonable to expect goals to change when circumstances change. Reviewing the program every six months to a year allows leaders to keep goals challenging yet realistic.

If too few or too many employees are achieving goals, change is in order. Also, some components may have to be re-addressed or dropped if they are not working as well as planned, while new components may be integrated depending on employee feedback.

Periodic evaluations keep any program fresh and exciting to employees.

10. *Employee input on the design and maintenance of the Program is essential.*

Recognition is for the employees—so who better to help make it work? Management can never be truly confident about what employees find rewarding unless they ask. Additionally, employee involvement will make the entire employee population much more tolerant of the inevitable glitches in the system.

Internal Marketing Guidelines

When preparing for an internal marketing or public relations program, apply the same standards that you would if your organization were communicating with external customers or shareholders. Selling, marketing, and public relations skills, both visual and

verbal, are unfortunately not skills that all human resource professionals possess. So, if required, contract an employee communications specialist to plan and implement your program. Part of his or her mandate, however, should be to train an in-house resource person.

The following is a brief list of guidelines:

- We are bombarded every day with media messages from television, radio, the internet, newspapers, magazines, and books. Your messages and the media used to convey them should appeal to your specific employee audience and should treat them as adults by not talking up or down to them.
- Professionalism is needed at all times. You, as an employer, are your message. What you say, the positions you take, and how you package the message talk to and about your organization's values.
- Always assume that others will know about your internal marketing programs. This could reasonably include the employee's family and friends, the community press, or a union wishing to organize your employees.
- Touch the employee's life. Encouraging and supporting the employee's desire for a better lifestyle (e.g. career, self-development, or special volunteer opportunities) is frequently more meaningful than amassed financial data.

The nature of business is survival and growth. These goals are achieved through good fiscal management of profit. However, profit is the end result of having sound business systems and practices. All business systems and practices have been and will continue to

be developed, maintained and updated by your leadership and employee groups. Never lose sight of their value and importance to the organization. Your internal marketing program will rise or fall on the success of reinforcing the message.

Internal Marketing Opportunities

Consider adapting any of the following ideas to create internal marketing opportunities that support your organization's unique values and guiding behaviours. Concentrate on finding opportunities to make employees aware of how the benefits of working for your company affect them personally. One of the goals of marketing is to make the *invisible* visible.

What is Your Job Worth?

Using your payroll system or payroll supplier, you can create a document demonstrating the actual value of an employee's job. It should show the value of the employee's salary when the cost of benefits has been included.

For example, a salary of \$10 per hour is likely to show up as \$13 per hour if the organization is paying for benefits at the rate of 30 percent on each payroll dollar. Benefits in this context include those provided by insurance premiums, vacation plans, recreational and social activities, education assistance, and a subsidized cafeteria, to name a few.

The cost of benefits is the direct cost to the employer shown as a percentage of payroll dollars.

Benefits can include the following:

FINANCIAL

- Regular earnings
- Overtime earnings
- Vacation pay
- Allowances (e.g. call-in pay)
- Automobile lease or allowance

- Relocation expenses
- Profit sharing, stock or cash bonuses
- Bereavement paid leave
- Stock purchase or savings plans
- Pension plan or RRSP contribution
- Jury duty leave

INSURANCE-RELATED

- Medical insurance
- Dental insurance
- Social insurance tax on wages and salaries

HEALTH-RELATED

- Accident/illness benefits
- Employee assistance programs
- Health/fitness programs
- Medical facilities
- Grief counselling

EDUCATIONAL

- Scholarships for employees' children
- Matching donations to major colleges and universities
- Cost of tuition refund program

SOCIAL

- Club memberships
- Lunch and coffee breaks
- Social and recreational programs

RECOGNITION

- Suggestion awards
- Recognition program
- Service awards

WORK-RELATED

- Cost of premium on Workers' Compensation
- Cost of safety equipment
- Shift premiums
- Paid parking
- Food services

Benefit Payout

Your employee benefits provider can provide the cost of benefits paid out over any period you select. This information is not normally shared with employees, and this creates a missed opportunity to educate and inform employees about the "benefits of the benefit".

For example, if the long term disability and weekly indemnity payout amount to a significant

number, you can communicate this type of job security (or job protection) and the value of the payout as another example of your Positive Employee Relations program. This link between premiums and paid out benefits can apply to any type of benefit program (for example, dental or medical).

An employee newsletter is an appropriate medium to convey the information, but it should be communicated *without identifying* the recipients of the benefits, in order to protect their privacy.

Life-long Learning

A similar opportunity exists to market the benefits of the company's educational assistance program. For example, if the organization co-sponsors employees who further their skills, competencies, or general level of academic education, this can be expressed as the number of educational hours or credits earned by the employees, and as the number of dollars spent by the employees and the company.

If the organization supports 100 percent of further education, the message is even

stronger. This also applies to scholarship programs for the children of employees.

Volunteerism

Another internal marketing idea is to discuss the volunteer contributions supported by the organization. This might include financial support to local charities, and the number of company-paid "work hours" employees have spent in charitable and civic events.

Another variation on this message is the number of retired or disadvantaged individuals the organization has provided with employment opportunities, or the amount of support given to these individuals who, in turn, give time back to the community.

Social and Recreational Activities

Communication about specific activities (for example, the annual picnic, or the children's holiday party) is frequently the employer's responsibility; however, the marketing of these events is generally lacklustre. Why not recognize the individuals who devoted hours to plan and organize these events? The

organization likely spends more on the holiday party than on all other social events within the year.

If we do not share information about the financial support the organization provides with our employees, no one will. This approach to internal marketing can apply to all recreational and social events.

Internal Marketing – What is at Stake?

I'm recommending a high standard. It's part of a long-term solution, not an expedient short-term quick fix. But look at how much is at stake:

- Your reputation as an employer
- Your ability to hire and retain good (and perhaps even the best) employees
- Your success in convincing your employees that you—not a trade union—have their best interests at heart
- Your ability to build a track record of Positive Employee Relations, which could be the only winning factor in the event of a union campaign.