

Internal Marketing & a Conceptual Model For Development of Employees as Brand

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Abstract

A conceptual model is developed for the employee branding process in which the employee brand image is driven by the messages employees receive and the mechanisms within employees' psyches that enable them to make sense of those messages. The model identifies various sources through which messages are delivered and describes the contributions of those sources to the employee branding process. The psychological contract is identified as a perceptual mechanism central to the employee branding process. The model specifies the consequences of the employee branding process and describes a feedback loop through which managers can monitor the process.

Keywords: Brand, employee branding, internal marketing, psychological contracts, human resource management.

Introduction

Organizations use brands to give their offerings an identity and to distinguish them from competitive offerings. These brands typically take the form of words, signs, symbols, or designs. Employees, too, can reinforce, strengthen, and even create a brand image for their products and organizations. Employee brand-building behaviors may include courtesy, responsiveness, reliability, helpfulness, and empathy, among others. Such behaviors have been shown to contribute to consumers' perceptions of service quality and may result in higher levels of customer retention and loyalty (American Society for Quality Control, 1988; Parasuraman, Zeithaml, & Berry, 1985; Parasuraman, Zeithaml, & Berry, 1988).

It is important to understand how organizations can succeed in their quest to have employees deliver a service experience that is consistent with both customer expectations and the brand image desired by the organization. Because these service experiences can only be delivered by the employees who represent the organization, the task of getting employees to reflect the organization's brand image and deliver on its promises is a challenge for businesses. Recently, employee branding has garnered managerial and research attention that focuses on addressing this challenge. Employee branding has been conceptualized in a number of ways (Estell, 2002; Farrell, 2002; Frook, 2001; McKenzie, 2001; Mitchell, 2002). While each conceptualization recognizes the importance of employee branding and its positive outcomes, there is little agreement on exactly what employee branding is or how it happens.

Therefore, the employee branding construct itself appears to be underconceptualized.

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Purpose of The Study

01. To present a comprehensive model for understanding the employee branding process.
02. To give attention to the definition of employee branding, the sources of messages employees receive, the factors that influence employee perceptions, and, ultimately, the development of an employee brand image.
03. To address the positive consequences likely to accrue from effective employee branding efforts.

The Definition and Conceptual Context of Branding of Employees

Successful product branding strategies focus on the image organizations create in the minds of their customers regarding their products. This image-creation process focuses largely on external communications with customers and customers' personal experiences with the organization's products. The idea of branding and development of the brand equity has been applied to intangible services as well as tangible products (Krishnan & Hartline, 2001). This traditional view of the branding process provides one backdrop for the conceptualization of employee branding, but employee branding is also rooted in the practice of internal marketing.

As Rafiq and Ahmed (2000) point out, various lines of thought underpin the concept of internal marketing. First, internal marketing has been seen as a process by which marketing tools and techniques can be used to motivate employees to achieve the organization's goals and objectives, particularly as they relate to interactions with external customers (Gronroos, 1981). Employees have also been seen as internal customers, and achieving employee satisfaction has been viewed as a key to having satisfied external customers (Berry, 1981; George, 1977). The emphasis on internal customers has led to the suggestion that their needs should be satisfied through the "job-products" the organization offers (Berry & Parasuraman, 1991, p. 151). Finally, internal marketing has been seen as a device by which organizational change can be accomplished and strategies implemented (Rafiq & Ahmed, 1993; Winter, 1985). Rafiq and Ahmed's (2000) careful review of the literature led them to propose the following definition of internal marketing:

"Internal marketing is a planned effort using a marketing-like approach . . . to overcome organizational resistance to change and to align, motivate and interfunctionally co-ordinate and integrate . . . employees towards the effective implementation of corporate and functional strategies . . . in order to deliver customer satisfaction . . . through a process of creating motivated and customer orientated employees."

The definition of internal marketing proposed by Rafiq and Ahmed (2000) focuses on using a marketing-like approach to get internal customers (i.e., employees) to deliver satisfaction to the organization's external customers. However, employee branding goes beyond attaining customer satisfaction through internal marketing. It utilizes all the organizational systems, including internal marketing methods, to motivate employees to project the desired organizational image. This image is projected through their demeanor, appearance, and manner of interacting with customers.

Employees must effectively internalize the desired image before they can project it to others (Joseph, 1996; Reardon & Enis, 1990). This brand internalization process comes about, in part, when employees receive messages from the various systems internal to the organization. When the messages are consistent and credible, the internalization process enables employees to better fulfill the explicit and implicit promises inherent in the brand name and organizational image (Greene, Walls, & Schrest, 1994). Thus, we define employee branding as *the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents*.

Internal marketing initiatives traditionally have targeted boundary-spanning employees because they are the point of contact between the organization and various stakeholder groups such as the customer (Katz & Kahn, 1978). However, employee branding efforts should also focus on employees who provide direct and indirect support to the boundary-spanning function, since the boundary spanners are their internal customers (Frost&Kumar, 2000). Employees who provide direct support to the boundary-spanning function include clerical and technical support people, as well as those who provide information to the boundary spanners. Indirect support for the boundary-spanning function comes from the product or service producers who are the ultimate source of quality. Frost and Kumar (2000) found both sets of employees to be pivotal in delivering service quality. Given this finding, a comprehensive organizational approach is integral to our model of employee branding.

The image the organization projects to customers and other relevant stakeholders through its employees is the central component of successful employee branding. The projected image may pertain to the organization as a whole, to specific products and service offerings, or to both. To be successful at employee branding, organizations must create and instill the desired image in employees' minds before the image can be projected from the employees to others. Therefore, it is necessary to have a clear understanding of the most basic relationship in the organization— the relationship between the employer and the employee.

When people join organizations, a psychological contract is established between them and their employers (Rousseau, 1995). In essence, this contract is based on the employees' perceptions of a series of established expectations. For instance, employees may perceive that the organization expects them to give forth their best effort, have organizational loyalty, and work toward organizational goals. Simultaneously, employees may expect the organization to be caring, to be fair in dealing with them, to provide rewards commensurate with performance, and to offer them opportunities to develop and advance within the system. It is important to note that the organization must meet employees' expectations if it expects to fulfill its end of the perceived contract (Rousseau, 1995).

Organizational values and the desired organizational image can be transferred to employees through effective management of employees' psychological contracts. This transfer takes place through various message sources. For example, the organization's desired level of customer orientation is one value-based image that may be transferred to employees. The effective transfer of the desired customer orientation hinges on two points. First, the organization must communicate its values and expectations to employees as they pertain to customer orientation.

Second, employees must perceive that the employer is delivering on his/her end of the psychological contract by meeting the employees' expectations. The contractual nature of the employer-employee relationship suggests that the extent to which employees display the desired customer orientation will be driven by the employees' perceptions of the extent to which the organization is delivering on its part of the psychological contract.

The Employee Branding Process

As indicated in Figure 1, the psychological contract emanates from the messages employees receive. These messages form the basis of the psychological contract. They also influence the perception of the exchange relationship over time as the employee interprets and compares new messages for consistency with the psychological contract. The psychological contract drives the brand image exhibited by employees. Possible consequences of successful employee branding efforts include reduced turnover, increased employee satisfaction and performance, enhanced service quality, and a higher level of customer retention.

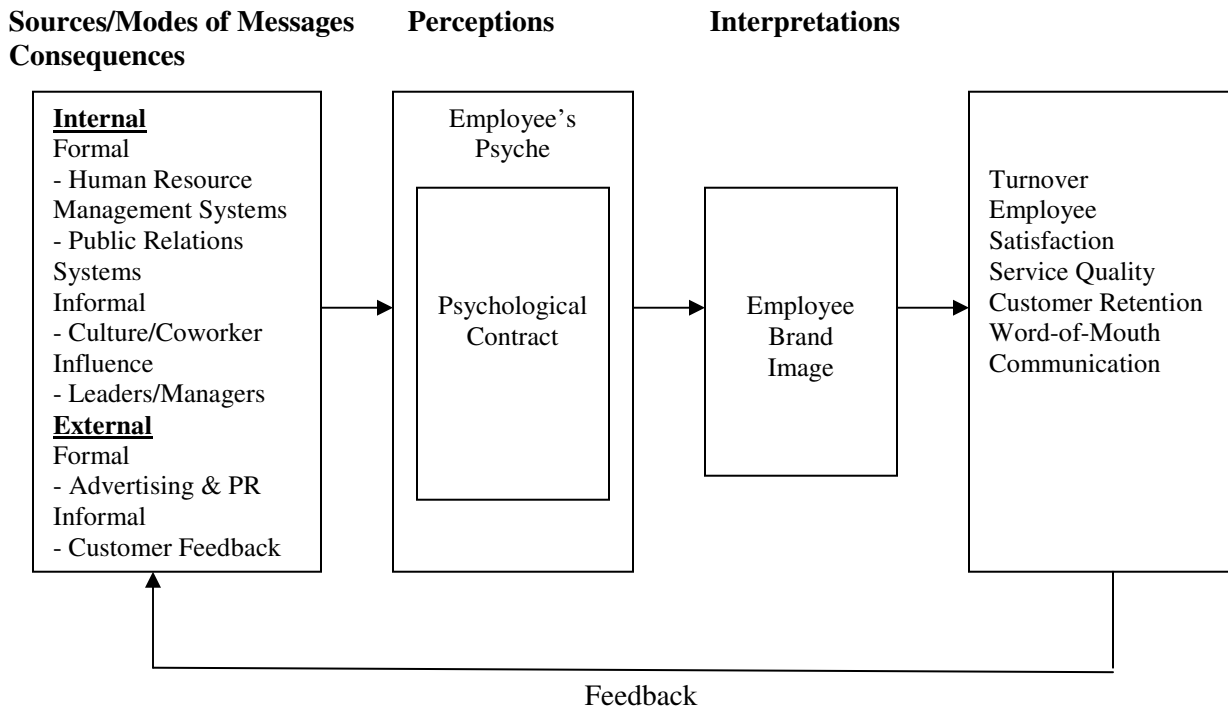


FIGURE 1: Process to Build the Employees as Brands

Sources/Modes of Messages

For managers seeking to establish a positive employee brand, it is important to consider that the images employees project are derived from numerous sources both within and outside the organization. The formal and informal sources of information that are internal to the organization will be addressed first, followed by a discussion of various external formal and informal sources.

The internal sources presented in Figure 1 consist of the messages generated by human resource systems and promotional and public relations systems within the organization, by organizational culture and coworker influence, and by management. Evidence indicates that it is important that the messages generated within the system be consistent (Greene, Walls, & Schrest, 1994). In reality, however, the messages are often badly mismatched (Mitchell, 2002). When different messages are delivered to employees and customers, employees who are privy to both messages will perceive a certain level of duplicity on the part of the organization. Employees will be less likely to make the necessary emotional connection with the brand and, therefore, will be less likely to deliver on the organization's promises (Robinson, 1996). This failure to deliver on promises undermines the organization's external communications programs from the employees' perspective. Therefore, the messages in the organizational system are pivotal to effective employee branding efforts.

Formal Internal Sources

The formal sources of information that are internal to the firm include the human resource management and public relations systems. These systems can be highly effective in the employee branding process for two reasons.

First, managers can exert a high degree of control over both systems.

Second, the messages generated by these systems can emotionally connect employees to both the brand and the organization.

Human Resource Management Systems: Human resource management systems ensure the effective and efficient use of human resources (Mathis & Jackson, 2000). Therefore, the attraction and retention of employees whose performance is consistent with organizational goals is a top priority for human resource managers (Jones & George, 2003). A strategic approach to the human resource management effort dictates that the messages emanating from the system be consistent with each other, as well as with other elements of the organizational architecture.

Huselid, Jackson, and Schuler (1997) underscored the importance of the human resource management effort when they found that effectiveness in this area positively affected organizational productivity, financial performance, and stock market values. Other evidence suggests that excellence in human resource management may constitute a core competency that leads to competitive advantage (Gratton, 1998; Hamel & Prahalad, 1994). This competitive advantage is achieved through the processes of attracting and retaining employees, training and development, and compensating employees in equitable ways. The messages inherent in these processes have a large influence on the formation and maintenance of employee expectations.

Thus, it is important that the messages within the human resource management system be consistent with one another and with the organization's other messages (Goetting, 2000).

During the recruiting and staffing phases, employees start to gather information about the organization and job in which they are interested. This information may be gathered from various sources. Formal internal sources of information about the organization include recruitment documents, newspapers and periodicals, and the organization's Internet sites. Other information can be gleaned from messages sent to external constituents. Information about job responsibilities derives from a number of sources, including previous experience, education, job descriptions and specifications, and organizational contacts. Once employees are on board, a great deal of additional information about the job and organization can be gleaned from contacts within the organization. The initial gathering of information helps employees understand the goals and values of the organization and begin to form expectations about what life will be like in the organization.

As the recruitment and selection stage progresses, applicants have a choice to self-select out if the goals and values of the organization are not consistent with their own goals and values. If they choose to continue the process, the information gathered results in a set of exchange expectations that continue to form as new information is received. Much of this new information is gathered from the messages sent throughout the selection process. For example, organizations wanting to instill a customer-oriented image or brand may focus much of the communication surrounding the recruiting and staffing process on the importance of proper attitude.

Training and development are also important in terms of the messages employees receive. Training helps employees to master skills and glean knowledge required for their immediate job, while development is geared toward increasing employees' skills, knowledge, or behaviors, with the goal of improving their ability to meet changing job requirements (Noe et al., 2003). Thus, training and development are key features in a learning organization (Gephart et al., 1996). Employee expectations also evolve as a result of the message-sending process that occurs in training and development. It is, therefore, important that the messages sent in the training and development process be consistent with those sent in the recruitment process. For example, training and development activities that focus on developing the organization's brand image as it relates to customer orientation may send various messages about the customer service behavior the organization expects employees to exhibit.

Compensation is another powerful tool for aligning employee interests with organizational goals. Pay influences employee attitudes and behaviors, and it influences the kinds of individuals who are attracted to and remain with an organization (Noe et al., 2003). The link between performance and reward sends strong messages about what the organization feels is important. It also provides the basis for employee expectations (Vroom, 1964). For example, employees may have been told that promotions and pay-rises are based largely on the degree of their customer orientation. Those who display a high level of customer orientation but do not receive the promised pay-rises or promotions are likely to perceive that their expectations have not been met. Frustration, low performance levels, and employee turnover may result, particularly if the employees perceive that coworkers who are less customer oriented are getting the same or more rewards (Adams, 1963).

Performance management is the means through which managers align employee activities congruently with the goals of the organization (Noe et al., 2003). Performance management systems go beyond performance appraisals by providing employees with specific criteria related to organizational expectations for performance. They also measure performance and provide specific performance-related feedback to employees.

Again, the messages received through the performance management system must be consistent with organizational strategy and the other messages in the system. This specific and consistent information contributes to the employees' understanding of what they are doing or not doing well and helps to identify areas in which improvement is needed. In the absence of such information, employees tend to assume they are doing a good job and continue at their current performance levels. In some cases, these employees are surprised when their annual evaluations indicate substandard performance, particularly when their pay-rises are influenced by the evaluation. These employees are likely to feel that they have not received procedural justice and that the initial promises made during recruitment and selection have been breached (Folger & Konovsky, 1989). On the other hand, employees who fail to perform and yet receive favorable evaluations may come to the conclusion that performance doesn't matter. Under either scenario, inconsistent messages result in suboptimal results for the organization.

In summary, the messages sent through human resource policies and practices tell employees what the organization values or deems important. High levels of message consistency help clarify the employees' understanding of how the organization expects them to behave.

Public Relations Systems: An organization can use public relations to influence its image and the image of its products and services (Kerin et al., 2003). In the context of employee branding, public relations efforts should be targeted to employees, as well as external constituents. For instance, an organization may want to use public relations to create the impression that it is customer oriented. Yet, if rigid corporate policies limit the extent to which employees can provide good service, these conflicting messages may result in confusion about the organization's values and produce an overall lack of trust.

Internal public relations efforts can also be enhanced when organization's target employees with their advertising. Advertising messages can enable employees to better understand the product brand image and increase their emotional connection to that image (Mitchell, 2002).

Informal Internal Sources

Informal internal sources of messages can consist of interactions with or observations of employees, supervisors, and friends who work for the company. These interactions and observations are often viewed as part of the informal socialization process (Allen & Meyer, 1990) because they help employees adjust to their jobs and learn the ropes of the organization. The influence of coworkers, as well as the organization's culture, leadership, and management, plays an important role in employee branding.

Coworker Influence: Any interaction with or observation of employees who are not acting in their official capacity at the time of the communication falls into the category of informal communications. Informal communications can occur with anyone in the organization, including human resource managers, supervisors, and coworkers.

The information transmitted through coworkers may sometimes reflect organizational realities more accurately than the information transmitted through formal sources. For example, an individual may base his or her decision to join an organization on formal written documentation provided as part of the recruitment process. This documentation may indicate that financial rewards are based on the degree of customer orientation an employee shows. However, after joining the organization the employee may hear through informal socialization processes that pay-rises typically constitute a straight percentage of salary and are given out across the board. At year's end, the information transmitted through the informal channel may be confirmed by the amount of the rises and their recipients. In these instances, an employee is likely to call into question the integrity of the formal sources of the messages or, even worse, of the organization as a whole.

Influence of the Organization's Culture: The organizational culture constitutes another informal internal source of information. Organizational culture consists of a set of values, norms, standards of behavior, and common expectations that control the manner in which individuals and groups interact and work to achieve organizational goals (Jones & George, 2003). Organizational values and norms send messages to members about what goals they should pursue and how they should behave to reach those goals (Jones & George, 2003). These messages may or may not be consistent with the stated goals of the organization and the messages received through formal organizational sources.

Mixed messages are sent to employees when the organization's norms, values, and standards of behavior conflict with other organizational systems. In such situations, the transfer of values and assumptions takes place through a socialization process. Employees receiving mixed messages may sometimes feel that the organization lacks integrity and consequently may act in ways that are inconsistent with the organization's best interests.

The corporate culture can be reinforced or perpetuated through reward systems (Ott, 1989). These systems are typically incorporated into the firm's evaluation and compensation systems and thus can be used to further corporate values. For instance, organizations wishing to instill an employee branding image that reflects a strong customer orientation may use awards or contests to reward those who display outstanding customer-service behaviors.

Influence of Organizational Leadership and Management: The employee socialization process is largely driven by the messages an organization's leaders and managers transmit to employees. Leadership is the influence a person exerts over other people to inspire, motivate, and direct their activities to achieve organizational goals (Yukl, 1989). Kelman (1958) indicated that people could be influenced by compliance, identification, internalization, or some combination of the three. Compliance occurs when people do something against their will because of coercion. People obey in this type of system because of the high costs of disobedience. For example,

employees may not be willing to argue the benefits of a new program with a supervisor because they may believe that such arguments may have negative impact on their careers. Identification occurs when people do things leaders want them to do because they like them and want to help them accomplish their objectives. While this generates positive behavior while the leader is present, such behavior may cease if the organization's leadership changes. For this reason, this type of leadership style does not lend itself well to helping employees permanently internalize the brand image and deliver on its promises.

Internalization occurs when followers are convinced that acting in a particular way, as directed by their leaders, is in both their own and the organization's best interest. Values and opinions are internalized when employees place a great deal of trust in their leaders' judgment and expertise or when employees accept the logic of their leaders' thinking. Such employees tend to be highly motivated and effective. Leaders who successfully enable employees to internalize the organization's values are viewed as charismatic or transformational leaders and can influence change through vision, intellectual stimulation, and acknowledgment of the differences among subordinates. Typically, they help their subordinates understand the organization's values and vision and are able to communicate a plan for achieving the vision (Burns, 1978).

Managers can either convey messages in the same way as the organization's leaders or through interpretation of organizational policies. For instance, an organization may state a strong commitment to customer-service training and development. However, if individual managers are more concerned about immediate production and bottom-line numbers, they may discourage employees from—or even penalize them for—using work time to attend training and development programs. Additionally, conflicting messages within organizations may lead to confusion about what behaviors employees should exhibit. Employees who receive conflicting messages are likely to become frustrated and begin questioning the organization's integrity. In such circumstances, the organization's culture, leaders, and managers aid in the socialization process by signaling to employees what the organization is really after despite the formal messages received. Employees are less likely to be confused when an organization's leaders and managers deliver informal messages that are consistent with the formal messages employees receive about the organization.

Formal External Sources

Formal external sources of messages include advertising and public relations. These sources transmit information about the organization and brand image to a broad range of external constituents, including customers and stockholders. Employees are often secondary recipients of such external messages.

Public Relations: External public relations efforts often focus on the building of brand images for organizations, as well as the products and services they offer (Kotler, 2003). Public relations efforts can be used to either create or strengthen a positive image of the company or to alter negative images associated with problems or crises. However, employees may sense duplicity on the part of the organization when a conflict between real goals versus stated goals becomes obvious (Robbins, 1994). For instance, a company wanting to portray itself as being customer oriented may influence public opinion by creating commercials and advertisements depicting

high levels of customer service. If such messages are found to be inconsistent with company operations, however, the employees' level of trust in the organization may be diminished. They may also become confused about the organization's true values and its expectations for employee behavior. For instance, a health care organization may try to create an image of caring for its patients by spending millions of dollars on a public relations campaign. At the same time, it may reward its workers for cutting costs, which may impact quality care. These mixed signals can decrease employees' trust in the organization and call its true values into question.

Advertising: Advertising also sends messages about what the organization considers to be important. For example, consider again the health care organization that advertises patient welfare as its primary concern while telling its employees that cost reduction is the organization's top priority. Such a conflict between real goals versus stated goals can undermine the firm's integrity as perceived by its employees (Mitchell, 2002; Robbins, 1994). A perceived lack of integrity affects the employees' trust in and loyalty to the organization, as well as their willingness and ability to project a positive brand image and deliver on the company's promises. To have satisfied customers, an organization must first have satisfied employees (Gronroos, 1981; Heskett & Jones, 1994).

Messages sent to external constituencies have to be consistent with the messages sent to internal constituencies, whether the organization uses public relations and advertising to create and maintain an image or whether it uses them to downplay problems or crises. An organization's integrity is at stake in the eyes of its employees when it delivers inconsistent messages.

Informal External Sources

Informal communications from external sources often come in the form of customer feedback and word-of-mouth communication from friends and acquaintances. Such communication can have a significant impact on employees' psyches. For example, customer-oriented employees may feel that their outstanding efforts to ensure customer satisfaction are consistent with organizational values as well as the organizational reward system. However, should those employees hear stories from friends and acquaintances about poor customer service, they may question the organization's true level of customer orientation. Should the stories pertain to actions by those in higher levels of management, their questioning may become more intense and may even engender a feeling of betrayal.

The above example illustrates the effect that word-of-mouth communication from external sources can have on employees' thought processes. In fact, the influence of word-of-mouth communications in general should not be underestimated, whether its source is internal or external to the organization. Word-of-mouth communication is highly credible, compared to the organization's formal communications and the messages that come through media advertising (Bone, 1995; Herr, Kardes, & Kim, 1991), resulting in a substantial effect on employees' expectations, attitudes, and perceptions of fairness.

In summary, the messages within the organizational system communicate information about the organization's operations, values, and goals, as well as its brand image. However, the number of

messages in the system is enormous. As employees take these messages in, they are processed and monitored for content as well as consistency. This monitoring process forms the basis for the employees' understanding of what the organization expects of them in exchange for their efforts.

Psychological Contract

The psychological contract between the organization and employees is based on a series of expectations established between the organization and its employees. The expectations are based on messages employees receive about the organization beginning with the recruitment process and lasting throughout their tenure with the firm. The more realistic and consistent the messages, the less likely it is that the contract will be violated. As long as the contract is honored, employees will believe in and trust the organization because it has delivered on its promises (Robinson, 1996). On the other hand, if employees feel that the psychological contract has been violated, they will experience negative feelings and engage in behaviors that are not in the best interest of the organization (Robinson & Rousseau, 1994). Negative outcomes associated with perceived violations of the psychological contract include diminished loyalty, negative word-of-mouth communication directed to other employees and even customers, reduced productivity, and employee turnover (Robinson & Rousseau, 1994; Rousseau, 1995).

The employees determine whether the psychological contract has been violated and whether the organization can be trusted. Assume, for example, that employees receive initial messages suggesting that the organization places a high value on customer satisfaction and that it will treat its employees in the same way that employees are expected to treat customers. This message forms a set of employee expectations pertaining to the respect and fairness with which they will be treated. It also sets a standard for the treatment of the organization's customers. Messages consistent with the organization's commitment to customer and employee satisfaction should emanate throughout the system in such areas as performance evaluation, compensation, and job responsibilities. The result should produce a high level of customer service as well as satisfied employees.

When employees see inconsistencies in the organization, they may scrutinize further transactions in their part of the organization to reassure themselves that their contract is still intact and that the organization can be trusted. For example, if an organization is being investigated for potential truth-in-advertising violations, even those employees who are not affected by the investigation are likely to more fully examine all of the incoming messages for consistency or inconsistency. Ensuring the consistency of all organizational messages may seem an impossible task. Fortunately, however, some violations of the psychological contract appear to go unnoticed by employees if the organization appears to be fulfilling the majority of the contract on a regular basis (Rousseau, 1995).

The psychological contract is pivotal to building the employee brand image. It is only when an organization understands and uses the psychological contract to establish expectations for employee behavior that employees understand what is expected and how they can meet those expectations. The messages emanating from the organizational system influence the employees' perceptions of the importance of customer service or other organizational values. Employees will

have a stronger customer-service orientation when the information in the system frequently and consistently reinforces those messages (Mitchell, 2002).

For instance, formal human resource management systems may communicate messages such as the following:

- (1) the company only hires friendly people,
- (2) the company commits resources to training employees on customer service and product knowledge, and
- (3) the company rewards employees for outstanding customer service.

These messages can communicate the organization's customer-service expectations and form the basis for employees' degree of customer orientation. However, the most effective delivery of customer service requires that employees internalize the organization's customer service messages. This internalization process will better enable employees to base their job-related decisions and behaviors on the organization's brand image and to project that image to customers (Mitchell, 2002). Higher levels of internalization can be expected when the organization's external and internal messages are consistent and frequently delivered.

The process of internalization enables employees to better understand customers' needs, wants, and expectations, as well as the organization's customer service standards. Such increased understanding can be expected to lead to higher levels of customer orientation.

Employee Brand Image

The development of employee brands is driven by the degree to which employees internalize the organization's brand image and are motivated to project that image to customers and other organizational constituents. The internalization of the desired brand image occurs best when employees feel a high level of trust in the organization for which they work. The fulfillment of employees' psychological contracts with the organization is critical to the process of developing high levels of employee trust.

When employees perceive that the organization has broken its promises to them, they may also question whether it will fulfill its promises to customers. Consequently, employees may feel reluctant to promise something to customers that may not be delivered. When this occurs, the feeling of trust has been broken, the brand image is somewhat compromised, and employees may not deliver desired levels of customer service. On the other hand, if employees perceive that their psychological contracts have been upheld, they are likely to view the organization as delivering on its promises. Under such circumstances, employees are likely to fulfill organizational expectations by projecting a positive brand image and delivering high levels of customer service.

Consequences

Several favorable consequences are likely to accrue to organizations in which a strong brand image is developed. They are likely to benefit from higher levels of employee satisfaction and performance, service quality, and customer retention, as well as reduced employee turnover

(Rousseau, 1995). In addition, customers who perceive strong brand images may be more likely to engage in favorable word-of-mouth communication. Employees may also be more likely to engage in favorable word-of-mouth communication when they feel their psychological contracts have been fulfilled. The messages these satisfied employees send may go to other current and prospective employees, as well as to the organization's current and future customers.

Inconsistent messages threaten or nullify the psychological contract, resulting in negative perceptions and attitudes. Violations of the psychological contract may well cause employees to leave because they have a negative impact on employees' trust and satisfaction (Robinson & Rousseau, 1994).

Negative word-of-mouth communications may also result in an unfavorable impact on those who hear the messages. Acts of workplace sabotage have even been linked to perceived violations of the psychological contract (Paul & Niehoff, 2000).

Feedback

The feedback loop allows managers to assess the quality of the employee branding system. Employee turnover is measurable through the organization's human resource system and customer retention can be gauged through metrics used in the organization's marketing information system. Additionally, validated scales are typically available for the measurement of employee and customer satisfaction and customer perceptions of service quality. Although managers may not be able to quickly identify changes in employees' perceptions and attitudes, they can usually observe employees' behavior in which the perceptions and attitudes are manifested. Undesirable behavior can often be traced either to the messages the organization sends or to the channels through which the messages are sent.

When an indicator such as customer satisfaction drops, investigation into the causes may warrant additional research. For example, banks that experience high levels of customer turnover sometimes conduct employee climate surveys to provide insight into the reasons for customer defection. Underlying organizational issues, such as employees' inattention to customer needs and preferences, are then explored. When necessary, organizational messages can be adjusted to remedy the problem.

Looking for the problem's source within messages may be far easier than looking for it in the channels through which they are sent, especially the informal channels. In many cases, the human resource management system is a good place to begin the problem-solving process since this system is responsible for initial and subsequent messages pertaining to promotions, pay, managerial behavior, and the like. Consider our example of the organization that initially tells its employees that training is a high priority. After receiving this message, employees may start working for a department manager who perceives training as detracting from accomplishing short-run productivity standards.

Consequently, the manager may downgrade the employees' performance evaluations when they try to take advantage of training and development opportunities. In this case, the manager's actions are inconsistent with the messages employees have received, and the employees may feel

that their psychological contracts with the organization have been violated. However, finding the root causes of these types of problems can be a challenging task for managers.

Implications

The model presented in this article goes beyond the current literature by providing a framework by which organizations can develop employee brands and turn them into a source of competitive advantage. The brand-developing process centers on the messages the organization sends and the processing of those messages in its employees' psyches. The messages employees receive must be aligned with the employees' organizational experiences if the psychological contract is to be upheld. Therefore, the conscious development of organizational messages is the fundamental building block in this process.

The messages must then be delivered through appropriate message sources. The following guidelines provide a starting point in this process:

- Organizational messages should be carefully thought out and planned in much the same way mission and vision statements are thought out and planned.
- The organizational messages should reflect the organization's mission and values.
- Messages directed toward external constituencies must be in line with the messages sent to employees.
- Messages directed toward external constituencies should be sent internally as well.
- The design of recruitment and selection systems should incorporate messages that consistently and frequently reflect the brand and organizational image.
- The compensation system should incorporate messages that consistently and frequently reflect the brand and organizational image. For instance, managers in organizations that value training must be held accountable when they fail to train and develop their employees.
- Training and development systems should help managers and employees internalize their organization's mission and values and help them understand how the mission and values pertain to their roles in their organization. This should enable them to more effectively articulate messages that consistently and frequently reflect the brand and organizational image.
- Advertising and public relations systems should communicate messages that consistently and frequently reflect the brand and organizational image.
- Managers should be taught the importance of communicating messages that are consistent with their organization's mission, vision, policies, and practices.
- Performance management systems should address inconsistencies between practices and policies to minimize violations of employees' psychological contracts.
- Accurate and specific job previews should be given to new employees so that realistic expectations are incorporated into their psychological contracts.

- Corporate culture (artifacts, patterns of behavior, management norms, values and beliefs, and assumptions) should reinforce the messages employees receive.
- Individual output should be measured and analyzed to determine if there are message-related problems at the departmental, divisional, or organizational levels.
- Individual messages should be continually examined for consistency with other messages.
- Message channels should be examined to ensure consistency of message delivery.
- In the event that messages need to be changed or psychological contracts altered, organizations must take careful steps in rewriting the messages (Rousseau, 1995).
- Measures should be used to assess outcomes such as customer retention, service quality, turnover, and employee satisfaction and performance.

Summary and Conclusion

This article describes a model that contributes to the conceptualization and understanding of the employee branding process—a process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents. The messages employees take in and process influence (1) the extent to which they perceive their psychological contracts with the organization to be fulfilled and (2) the degree to which they understand and are motivated to deliver the desired level of customer service. In so doing, they drive the formation of the employee brand.

Message consistency is important for effective brand formation. Employees receiving consistent messages are more likely to perceive that their psychological contracts have been upheld and to develop a sense of trust in the organization. Consistent messages also enable employees to understand the desired brand and organizational image. Favorable consequences likely to emanate from successful employee branding programs include reduced employee turnover, enhanced employee satisfaction and performance, increased service quality, higher levels of customer retention, and an increase in favorable word-of-mouth communication. Organizations can monitor the consequences of the employee branding process through the proposed feedback loop.

We hope that an enhanced understanding of the employee branding process as developed in our model will lead to the development of consistent messages within the organizational system. Effective implementation of employee branding programs will help employees internalize the desired brand image and motivate them to deliver that image to their customers and other organizational constituents.

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