



Building the employer brand from the inside-out – making the case for a renewed investment in internal communication

By Lee Smith

Lee Smith is the director of Gatehouse, a consultancy specialising in employee communication, engagement and change. He chairs the Chartered Institute of Public Relations (CIPR) and runs one of the leading blogs on the topic (see internalcommunications.co.uk). Here he makes the case for a renewed investment in employee communication.

Despite being in the midst of a global economic downturn, it seems the employer branding efforts of many large organisations remain focused on attracting new talent, rather than retaining existing employees. This imbalance does little to address some of the challenges businesses are facing right now – including rising disengagement, reduced trust in leaders and managers and a need for greater cost efficiencies.

As the recession continues to bite, now is the right time for employers to be refocusing their efforts on their existing, internal audiences – to re-engage the current workforce, reinforce their employer brands and ensure that external-facing messages are based on internal realities. Internal communication (IC) is at the heart of this challenge. It is one of the keys to unlocking greater levels of engagement, building higher levels of employee advocacy and ensuring existing staff live the organisation's values.

Cinderella function

Yet IC remains a Cinderella function which is rarely invited to the party and is still regarded by many leaders as an optional extra. This is no more evident than today as we see organisations cut back their investment in this area, sending a loud and clear signal to employees that they are only an organisation's most important asset when times are good.

Well managed IC is not a nice-to-have and it is far too important to be treated as such. Not only is communication the lifeblood of every organisation – the very thing that binds a disparate group of people together into a single unit to achieve a specific end – but it is the very essence of the employer brand.

The success of every employer brand depends on the words and actions of employees, leaders and managers – and IC, working alongside a strong and strategic HR function, is ideally placed to advise on and shape those interactions.

The commercial logic for focusing more effort on existing employees right now is clear too. In pure financial terms it is well documented that the cost associated with attracting and on-boarding new employees is far higher than it is for retaining existing staff. My argument, therefore, is that organisations should be investing more – not less – in internal communications during these tough times.

The rise of the employee spokesperson

This is not, however, simply a sensible response to the recession. There is another phenomenon at play which demands a more strategic and joined-up approach to IC and employer brand management.

The last few years have seen a massive increase in the use of social media. Blogs, wikis and social networking sites like Twitter and Facebook – and their corporate equivalents – are beginning to take hold, fuelled in part by younger Generation Y employees.

One of the consequences is a blurring of the traditional boundaries between internal and external communication.

With the power to publish at their fingertips, the influence of ordinary frontline employees now extends far beyond the local pub or wine bar. Whether you encourage it or not, the reality is that your employees are, today more than ever, your spokespeople. The only question is whether that dialogue is positive or negative.

The wisdom of the crowd

So what, you might say? Does it really matter if employees are nattering to their friends about their time at work, as well as play? The answer is a resounding yes. Over the past decade or so, we have seen a big shift in the types of groups and organisations people trust. Those that once exuded authority – politicians, the Government, doctors, accountants, the police, large corporations – are no longer trusted as they once were. Instead modern consumers – and employees – are much more likely to trust 'people like me'. This means that employees are today more influential than ever – and so they have the potential to enhance or destroy your employer brand.

Web sites like Jobvent.com are beginning to influence employment decisions. The workplace equivalent of Trip Advisor, this site provides a forum for ordinary employees to comment on their experience at work and, ultimately, rate their employers. For some it makes very depressing reading.

Even the mighty YouTube has the potential to inflict serious reputation damage or, as some organisations have shown, to enhance employer brands. Contrast the experiences of the UK supermarket group Sainsbury's with those of the global accountancy firm, Deloitte.

The former faced public embarrassment when a handful of employees at one store posted a video of themselves racing in trolleys and carrying out other dangerous stunts after hours. This may have showed employees having fun at work, but I suspect it also reinforced existing negative perceptions of what it's like to work in the grocery sector.

Deloitte, on the other hand, ran a 'film festival' which encouraged employees in the US to produce short films to highlight and celebrate the values of the firm. It went down a storm, with more than 2,000 employees participating and in excess of 400 movies being submitted, the best of which are now freely available on the Web. This is, for me, a great example of an organisation embracing social media to enhance its employer brand.

Overdue investment

Against this backdrop, it is clear that an increased investment in internal communication is long overdue. The starting point is to hire experienced IC professionals who understand the depth and breadth of the challenge. This includes not only the production of communication materials, content and messages – the traditional focus – but also the development and enhancement of a range of channels (print, electronic, face-to-face). In addition, coaching and supporting the leadership team, enhancing the communication skills of line managers, and developing strategies to support the achievement of business objectives. Also, encouraging the organisation and its people to embrace social media and working with HR to reinforce and support the employer brand. If you haven't already done so, now is the time to invite Cinderella to the party. ■



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Before setting up Gatehouse, Lee Smith held senior positions with some of the UK's leading financial and professional services businesses. A Fellow of the Chartered Institute of Public Relations, he currently chairs CIPR Inside, the Institute's special interest group for internal communicators.

Gatehouse works with leaders, managers and in-house communicators, in the UK and globally, to help shape cultures, mobilise employees behind change, bring values to life and communicate in a way that delivers tangible business results. Clients range from big businesses to small public sector bodies and span a variety of sectors, including professional and financial services, FMCG, utilities and NGOs. Visit Gatehouse at: gatehousegroup.co.uk.
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Employees: 6

The fundamentals of strategic IC:

- Segment the audience
- Build the right channels
- Get close to leaders and managers
- Invest in meaningful research and evaluation
- Drive functional alignment
- Communicate the right things: strategy, change, customer focus, etc
- Don't just inform, engage