

thinking

CULTIVATING YOUR EMPLOYER BRAND

How simple marketing concepts are helping companies compete in times of skill shortages.⁽⁰⁸⁾

WHAT IT MEANS TO WORK HERE

Why creating a “signature experience” can set your company apart.⁽¹⁸⁾

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Every company needs a “signature experience” that sets it apart. By explicitly communicating what makes your firm unique, you can dramatically improve employee engagement and performance.

What it means to work here

*By Tamara J. Erickson
& Lynda Gratton*

It's the HR equivalent of keeping up with the Joneses: In their quest to find and retain top talent, businesses often try to match competitors' offers, ensuring that their compensation schemes, health care benefits, training programs, and other talent-management practices are in line with the rest of the industry's. While this strategy may be useful for bringing job candidates to the door, it's not necessarily the most effective way to usher the right people across the threshold — great employees who will be enthusiastic about their work and fiercely loyal to the organisation and its mission.

Nor does marching in lockstep with industry standards prompt companies to consider what's unique about their histories and values or potential employees' attitudes about work. Certainly, reasonable pay and a breadth of health care options matter to prospective hires, as do the tasks they'll have to perform. But people also choose jobs — and, more important, become engaged with their work — on the basis of how well their preferences and aspirations mesh with those of the organisation.

Imagine yours is one of three job offers a talented candidate is mulling over. She hears a little about the orientation programme at each firm. At your company, the first three months are probationary: As a new hire, the candidate would work closely with an assigned team, and when 90 days are up, the team members would vote on whether she stays or goes. Management won't have the final say. At the second company, the candidate would work on a series of fast-paced, creative projects during her first three months, under the close scrutiny of senior management. At the end of that period, she'd be expected to find a project that matched her skills. In the third company, the new hire would undergo intensive training during the first three months, learning the organisation's well-defined ways of doing business; after that, she would apprentice for an extended period with one of the firm's strongest performers.

None of these orientation experiences is inherently better than the others; the prospect will pick the company whose entry program most closely reflects her own values and preferences. If she loves risk and can put up with ambiguity, she might relish the challenges and the pace of the second company but would probably be miserable with the constraints of the third. If she enjoys collaborative work, she might gravitate toward your company.

These examples underscore the importance of employee preferences in the war for talent. Unfortunately, they are often overlooked.

» **What truly makes good companies great is their ability to attract and retain the right people—employees who are excited by what they're doing and the environment they're operating in.**

Such people are more likely to be deeply engaged in their work and less likely to chase after slightly better salaries or benefits. They will find ways to satisfy their own preferences and aspirations while meeting the organisation's need to come up with creative and productive solutions to business problems. Their commitment becomes contagious, infecting customers and prospective employees. Indeed, engaged employees are the antithesis of hired guns rotating in and out of critical roles—they're productive for the long term.

You won't find and keep such individuals simply by aping other companies' best practices or talent-management moves, however. You need to be able to tell new and prospective hires what it's like to work at your company, to articulate the values and attributes that make working at your firm unique. You need to provide a "signature experience" that tells the right story about your company. In the process, you'll empower the people who share your values and enthusiasm for work to self-select into your firm, thereby creating the foundation for highly productive employee-employer relationships.

Bringing Distinctiveness to Life

A signature experience is a visible, distinctive element of an organisation's overall employee experience. In and of itself, it creates value for the firm, but it also serves as a powerful and constant symbol of the organisation's culture and values. The experience is created by a bundle of everyday routines, or signature processes, which are tricky for competitors to imitate precisely because they have evolved in-house and reflect the company's heritage and the leadership team's ethos.

Target a segment of potential employees.

Most executives can tell you which consumers will buy their products or services. Few have the same insight into which job candidates will buy into the organisation's culture and adapt to its workflow. Companies that target potential employees as methodically as they do potential customers can gain a sustainable market advantage. That's been the case at JetBlue. Since its launch in 1999, the airline has defied many common industry practices, including the traditional approach to flight reservations. When most airlines were using standard call centres, JetBlue devised a system based entirely out of employees' homes. This has become one of the airline's signature experiences and part of its organisational lore, attracting a strong and productive base of employees who find flexible schedules more valuable than above-average compensation.

According to founder and CEO David Neeleman, it was more than cost savings that prompted the company to create this signature experience. Like the flight crew, the reservations agents are the face of JetBlue, responsible for ensuring high levels of customer satisfaction that will translate into increased revenues. The company couldn't afford to pay the agents huge

salaries, however, so senior management decided to appeal to them in a different way—by letting them work from their homes. "We train them, send them home, and they are happy," Neeleman says.

JetBlue tries to accommodate call centre agents' varied scheduling requirements—some may work only 20 hours a week, for instance, or may need to swap shifts at the last minute—but the airline balances those preferences against its business objectives. Employees have unlimited shift-trading privileges, which they can negotiate using an online community board. This self-scheduling process keeps employees motivated and

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satisfied, which means they're more likely to provide better customer care. For its part, JetBlue has enjoyed a 30% boost in agent productivity, a 38% increase in customer-service levels, and a 50% decrease in management workload per agent, compared with industry norms.

Address specific business needs.

Some companies' signature experiences stem from critical business needs. For instance, several years ago Lord John Browne, the CEO of BP, was faced with the daunting task of bringing together five oil companies BP had recently acquired. The challenge was to create a culture of learning across the company's 120 business units; without such integration, none of the anticipated cost-benefit synergies would materialize. At the time, many of the business unit heads were adept at competing, but few were adept at collaborating. To address this gap, Browne and his colleagues developed a signature experience called "peer assist." The business unit heads are assigned to peer groups representing as many as 13 units, and the members are required to exchange ideas and information about what is and is not working in their businesses. (To encourage knowledge sharing, much of each business unit leader's bonus pay depends on the performance of the whole peer group.) Employees are learning from one another. Thanks in part to these cross-platform groups, BP has met its financial targets and talent-management criteria. The beauty of this signature experience is that it clearly demonstrates Browne's basic operational philosophy: Peers working together will be the foundation of BP's success. Managers who can't buy into the signature experience won't waste their time or the organisation's.

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Identify and preserve your history.

The seed of a signature experience already exists in many companies. Their challenge is to find it, extend or shape it to the needs of today's business, and protect it. Consider Royal Bank of Scotland, which can credit its rise from a small national bank to one of the largest financial institutions in the world to a work environment that values action and speed. Those who do best in the bank deliver high-quality results quickly and under intense pressure—which is why prospects need to hear about RBS's historic signature experience.

In the eighteenth century, when the financial institution was founded, banking was a gentleman's pursuit. The day's business was usually completed by lunchtime so that businessmen could get on to more important matters in the afternoon—fishing, hunting, and the like.

That schedule was made possible by the morning meeting. Now, of course, banking is a 24-hour business, and there's much less time for afternoon jaunts through the Scottish hills. But the morning meeting lives on. Successive RBS CEOs have adopted this practice and made it their own. The current executive team meets with the chief executive, Sir Fred Goodwin, every morning between 8 and 9 to talk about the previous day's events, go over that day's agenda, and plan for the future. The sessions force employees to think about speed to market; RBS talks about completing projects within 30, 60, or 90 days—there is no mention of weeks or months. The morning meetings reinforce the collective accountability of the senior team.

RBS knows that early morning meetings and short-term, fast-paced projects won't appeal to everyone. So its signature experience sends an explicit message to potential hires: There are plenty of jobs out there for those who need a caffeine jolt and a few minutes with the Times before making a decision—just not at RBS.

Share your stories.

One of the legends any MBA student is likely to hear is that of Goldman Sachs's signature recruitment experience. Successive cohorts of B-school students worldwide pass along the tale of the MBA student who went through 60 interviews before being hired. That story isn't an urban myth. The selection process is truly an endurance test, requiring enormous resources. In a given year, about 5,000 applicants speak to ten members of the firm, and the top 2,500 speak to more than 30. Each year, Goldman Sachs invests more than 100,000 man-hours in conversations with prospective employees.

The seemingly endless interviews are not designed to ferret out candidates' intellectual prowess or previous work experiences — that's what the GMAT scores and application forms are for. The process is a reflection of the company's deep commitment to internal collaboration and networking and serves as a preview of life in the firm. At Goldman Sachs, there is no room for individual stars. Prospective candidates who hear the stories and enjoy meeting partners in the myriad interview sessions are exactly those, the firm believes, who will be capable of building networks and strong collaborative relationships.

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Employees at Starbucks have their own tales to pass on. When recruiting baristas, the company looks for people with outgoing personalities and strong social skills. To convey these attributes and prompt customer-savvy individuals to self-select into the firm, Starbucks tells all prospective hires about its mandatory in-store immersion process. Every new Starbucks employee — even at the corporate level — goes through a 24-hour paid training module called First Impressions. The standardized curriculum focuses on learning about coffee and creating a positive customer experience. This is followed by

in-store training — employees spend time making beverages, talking to customers, and learning the business on the floor. Employees at all levels say this hands-on experience is essential preparation for any role within the company. And they swap stories about candidates who ditched the process early on, just because they didn't want to spend weeks working in the stores. Indeed, the satisfied lot who stuck with it and poured lattes for a while tell these tales with great pride.

Strive for consistency

A signature experience must be buttressed by processes that send consistent messages to employees. Our research shows that one of the most common causes of low engagement in organisations is employees' perception that some elements of the work experience aren't exactly as they were advertised. How many times have we all heard people, six months into a job, say, "It's just not what I expected or wanted."

Several years ago, a large industrial company asked us to help redesign its orientation process, which executives at the firm felt was turning people off and driving them away. When we took a close look, we concluded that the orientation process wasn't the problem; it accurately reflected the highly structured, tightly managed nature of the organisation. The problem was occurring much earlier, during recruitment, when the company promised prospective employees a flexible work environment full of excitement and innovation. This company was not a bad place to work, but it was doing a poor job of targeting and attracting people who would thrive there. It needed to change either the pitch it used with job candidates or the experience of working at the firm.

Have the courage of your convictions

Companies — even very large ones — don't need to be all things to all people. In fact, they shouldn't try to be. No matter the content of your signature experience, you can attract people who are suited to your organisation's culture and interested in furthering its goals. Conversely, you must be willing to accept that your employment proposition won't appeal to everyone. Exxon Mobil, for instance, readily acknowledges that its highly structured environment isn't for everyone, and a number of employees choose to leave early in their tenures. The company's demands are exacting; employees are expected to follow clear communication protocols and strict security regulations — as you might expect in an industry in which safety is a high priority. Interestingly, however, attrition among employees who make it past the five-year mark is almost nil, and the level of engagement among them is very high. Perhaps there's a more effective way for the company to communicate the

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structured nature of its work experience to prospective hires, but Exxon Mobil's signature experience is strong enough and cohesive enough to retain those who are likely to be engaged and productive in the firm for the long term.

The company's executives calmly recognize their plight. "The suit was too tight," they say, as they describe those who departed early on. That statement serves as a polite but powerful reminder that Exxon Mobil's employee experience is unlikely to flex on the basis of one individual's preferences and that opting out is an acceptable path. Management understands that the company's signature experience won't necessarily map to every stage of the employee life cycle. And management carefully and sensitively protects the processes that contribute to this secure, structured experience. For example, the company recently considered switching from a defined benefits plan to a defined contribution plan, which the majority of companies today favour for their employees. In the end, it concluded that the security the defined benefits plan provides is more in sync with the values of the employees the company hopes to retain.

People will become long-term, deeply engaged employees of your company if their work experience is what they expect it to be and if your firm's values and attributes match theirs. You do a disservice to your organisation — and to prospective employees — if you try to be all things to all people. The best strategy for coming out ahead in the war for talent isn't to scoop up everyone in sight, unless you want to deal with the fallout: high turnover, high recruitment and training costs, and disengaged, unproductive employees. Instead, you need to convince the right people — those who are intrigued and excited by the work environment you can realistically offer and who will reward you with their loyalty — to choose you.

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