

The Challenge of Change

Change has permeated the fabric of every organisation over the past few years, be it large or small. People welcome it. People resist it. Why will one succeed where another fails? What does it take to become the customer's unrivalled choice? Do brand images, perceptions and values need to remain unwittingly undermined and eroded every day by insensitive, unschooled and ill-formed behaviour?

Customer service became a key business and management issue in the 1980s and within sectors such as financial services retailing, virtually all companies adopted some form of 'customer care' programme. Despite this, the results have been far from obvious success and few service companies, even today, truly believe that customer care initiatives have had any significant impact on profit performance or shareholder value.

At the same time, quality assurance, total quality management and quality systems activities have focused on internal dimensions rather than those measures of quality perceived by the external customer. Few companies investing in quality programmes have embraced the idea of total continuous improvement across all functions, nor have they addressed the motivational and organisational issues upon which total quality depends.

Of course, customer service initiatives and quality improvement programmes are to be welcomed wherever they are found but it is our view that market advantage can only be sustained where the strategic marketing process pays as much attention to the workplace as it does to the market

The most successful companies are truly customer-driven and dedicated to creating an exceptional experience at every transactional interface, be it internally or at the point of sale or service. Management at all levels must pursue the building of purposeful relationships at every stage along the supply chain and with a persistent passion that drives out destructive inter-departmental politics and rivalries. In doing so it overcomes confusion, apathy, frustration and diminished productivity to offer a new energy and direction.

The customer driven company is uncluttered by functional protectionism with marketing, sales, IT, production and every corporate support service working together to create and meet customer expectation. Its managers manage for market competitiveness and invest their energies equally in each of the three organisational centres of excellence: clarity of strategic direction, customer satisfaction and business performance that all too often remains the Cinderella among corporate objectives and a persistent threat to organisational effectiveness.

In larger organisations the status and accountability of human resources and personnel departments can often be seen to be to blame by covertly encouraging functional management to abdicate responsibility for the direction, performance, welfare and partnership of its people. HR is found to interpret internal marketing as internal communications with marketing's disciplines failing to influence the day to day

delivery of the business process. In start-up, the kitchen and the kettle hold no secrets and every member of staff is party to the ups and downs of the roller-coaster ride to sustained survival. However, as staff numbers multiply, a close-knit family camaraderie fast degenerates into distance with exclusion and 'mushroom management' beginning to take a grasp on company culture.

So, where does this leave the marketing function? Surely, if marketing is primarily concerned with the establishment of enduring and mutually profitable relationships between supplier and customer, it cannot but take responsibility for the internal value chain and manner in which it interfaces with the market. Should not the organisation itself become the master brand with the values, standards and behaviours attributed to it expressed consistently by products, services and people alike?

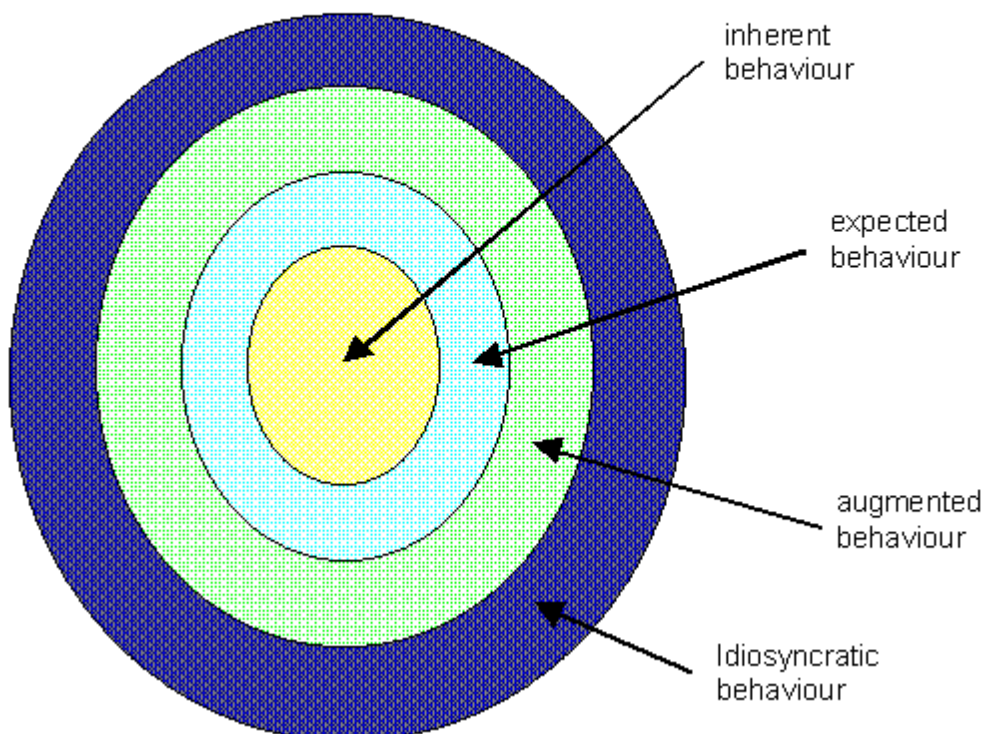
The Answer is Workplace Marketing™

Workplace Marketing™ was invented with the sole purpose of creating exceptional customer experience. Its objective was to ensure that strategic marketing activity permeated the entire organisational fabric and provided the tools and management processes that offered every business a seat of confidence and the weaponry with which to manage for market advantage.

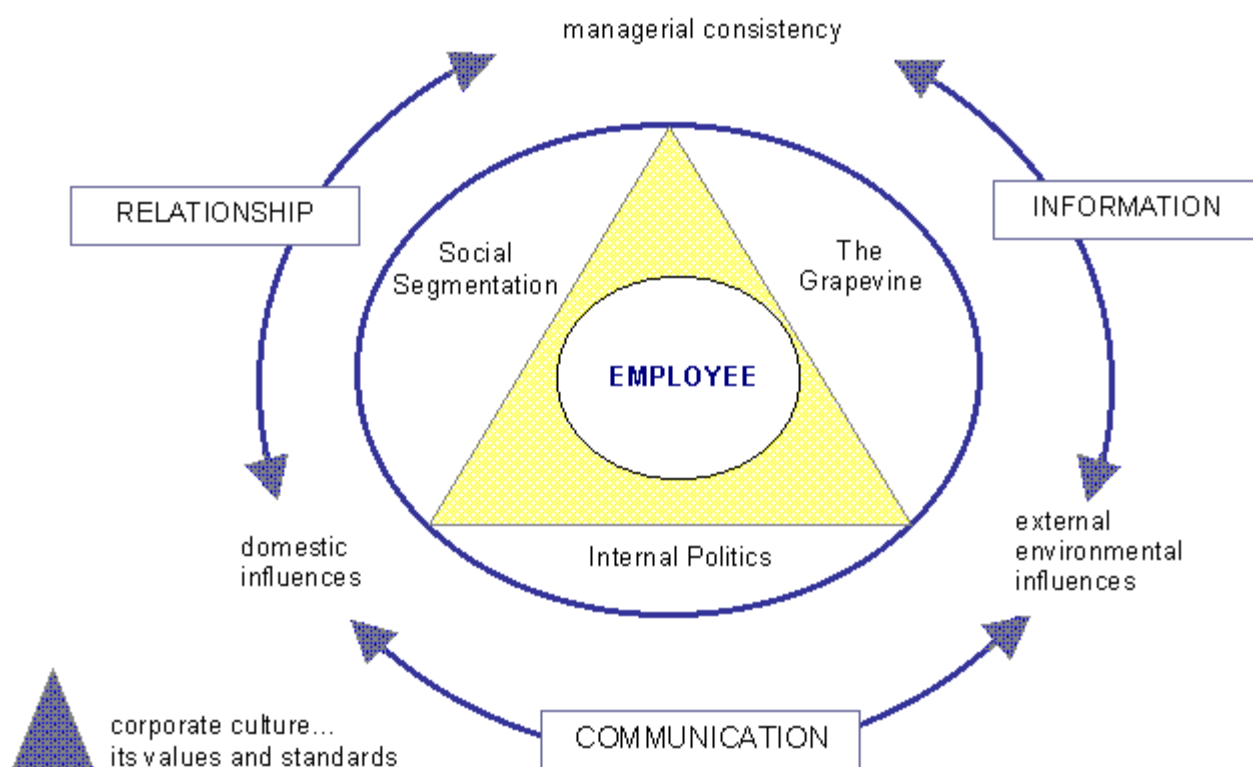
We believe empowerment to be inconsequential without emancipation.

Investment in people has a ripple effect that we call the Behavioural Kaleidoscope.

BEHAVIOUR KALEIDOSCOPE

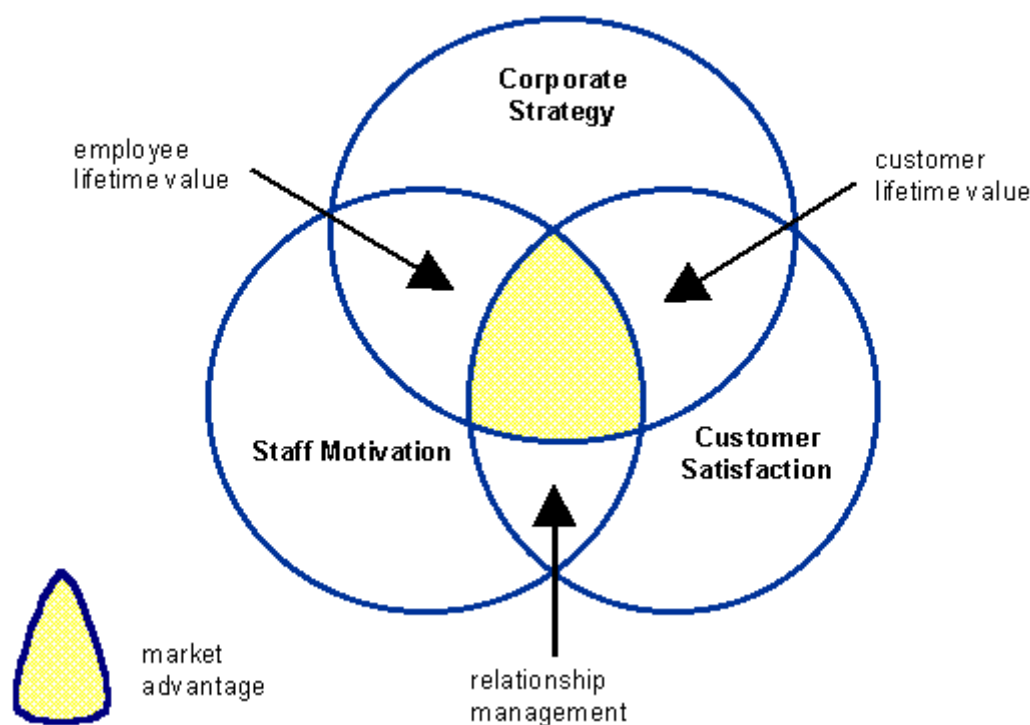


This has however to be understood in conjunction with a number of personal persuasive influences.



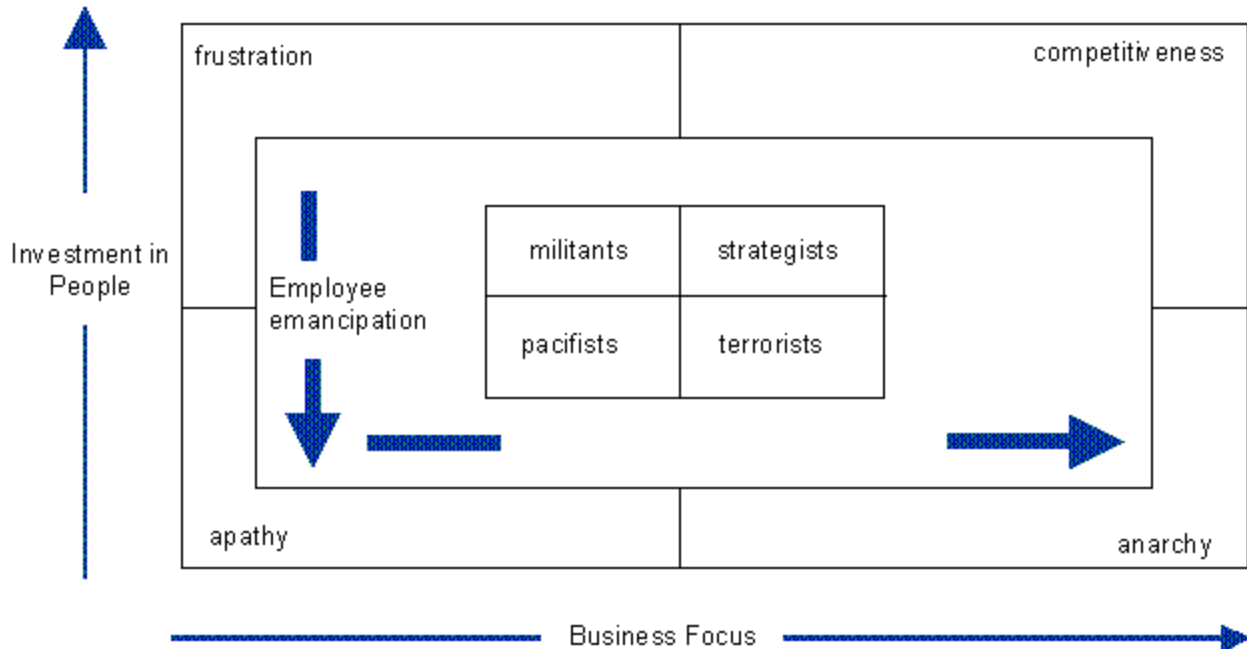
Our contention is that if the organisational energy that drives customer behaviour lacks comparable momentum in any one of the three organisational centres of excellence not only is the organisation itself thrown into imbalance but market advantage is unattainable.

THE DYNAMICS OF THE CENTRES OF EXCELLENCE



Further, a refined corporate strategy, clarity of business direction and a developing customer consciousness are insufficient catalysts to competitiveness. Thus the organisation must inevitably become celibate without the investment in people that leads to ...

THE BRAND AT RISK



... 44% of marketing directors make little effort to share their marketing plans with their own departments and 68% of them fail to share them with their managerial colleagues

... less than 10% of companies with 'customers', 'quality', 'service' and/or 'people' written into their mission statements can claim a motivated workforce

... in every case, internal politics and strong personal preferences are found to continually frustrate the implementation of essential business decisions

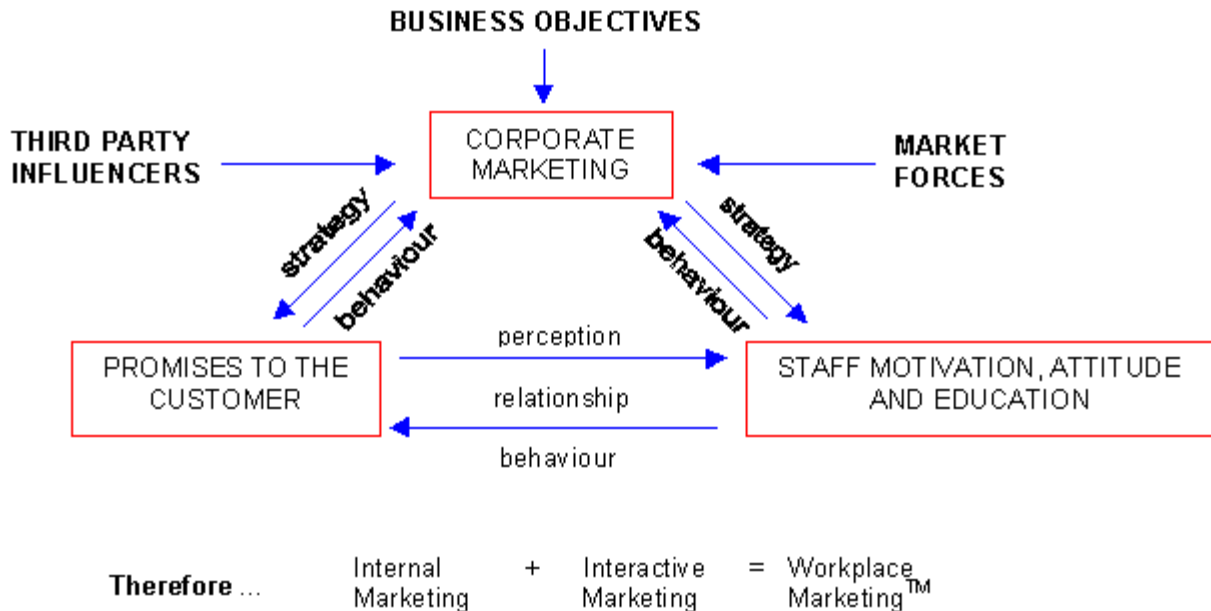
Thus, it has been imperative to recognise that Workplace Marketing™ is more than internal marketing, it is the management of customer experience as a strategic business process. Internal Marketing plus Relationship Management = Workplace Marketing™.

We define Workplace Marketing™ as a strategic marketing activity executed within the organisational fabric with the objective of creating an exceptional customer experience. It extends brand values to the management of behaviour at every point of transaction along the supply chain. Its purpose is to fold every member of the workforce into the marketing process and to turn people from cost centres into profit centres. It measures the return on investment in people.

A re-drawing of the Marketing Equation illustrates the point of difference between internal and Workplace

Marketing™. It begs the question ... what is marketing without people? ... and answers it with ... an invitation to buy somewhere else.

A NEW MARKETING EQUATION



Strategic Management Resources was formed in the UK in 1991 at a time of business distress and bottom-line pressure. Quantity had given way to quality but 'people' had become an abandoned element within the operational process.

The company remains an expression of the desire of its founder to offer a form of facilitation that overcomes the shortcomings of traditional management consultancy and enables its clients to become the real architects of their own success. To this end it requires its people to have an enviable track record in line management, a commitment both to business planning and to training and education, the motivation to transfer their individual skills and a passion for personal learning.

Thus, Workplace Marketing™ takes the essential principles of best business practice and promotes and popularises them. It is concerned with ...

... Harnessing customers to the clarification of corporate strategy and direction

... Building the of a success culture

... Creating consistent competitiveness

... Empowering and emancipating the workforce whilst recognising the concept of employee lifetime value

... Providing the quality of information and communication that generates empathy both throughout the internal supply chain and at the point of sale where workplace and marketplace meet

... Realising customer lifetime value

... Turning people from cost-centres into profit earners

A ROBUST RATIONALE

Strategic Management Resources is diligent in conducting a formal and continuing research programme among the organisation with whom it works. That research not only unveils the lost opportunity cost of marketing's failure to fold the workforce into the strategic marketing process but provides evidence of even greater managerial absurdity ...

... 40% of the potential return on marketing spend is lost when the customer comes face to face with the company and its workforce

... 68% of customers who do buy eventually go away because of the manner in which they are treated

... 25% of companies claim to practice some form of internal marketing but 85% of all marketing managers see no reason to include it in their plans

... 40% of business decision-makers believe internal marketing to be a critical function of the marketing department whilst 77% of personnel or corporate services managers claim internal marketing as a part of their remit