The Influence of Employer Branding in Internal Communication

Marlene S. Neill, Ph.D., APR
Department of Journalism, Public Relations & New Media
Baylor University
Marlene_Neill@baylor.edu

Abstract: Ethics and values are core to a movement referred to as employer branding. These efforts fall under the realm of internal communication, which requires close collaboration between public relations, marketing, and human resources. Through the lens of social learning and organization identity theories, this study provides insights into how new employees are introduced to values and ethics during recruitment and orientation, the types of ethics resources provided, and how ethics and values are reinforced. Participants also discussed times when they served as an ethical conscience. Public relations played a dominant role in creating strategic communication plans and disseminating messages to employees about values and ethics. However, public relations practitioners do not have much influence in the areas of employee recruitment and orientation, which are critical stages in developing and maintaining an employer brand. The results are based on in-depth interviews with 32 professionals working in 26 companies and organizations in 11 states in the United States and the District of Columbia. Practical applications for employers are provided.
Executive Summary

Background

Promoting a company or organization’s core values is being hailed as a competitive advantage as part of a movement in the marketing and human resources fields called employer branding (Ambler & Barrow, 1996; Foster, Punjaisri & Cheng, 2010; Lloyd, 2002; Moroko & Uncles, 2008; Vallaster & de Chernatony, 2005). The employer brand is defined as “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (Ambler & Barrow, 1996, p. 187). The employer brand package may include professional development, training, and promotional opportunities (functional or development benefits), as well as a competitive salary and benefits (economic benefits), and feelings of belonging and purpose (symbolic or psychological benefits) (Ambler & Barrow, 1996; Backhaus & Tikoo, 2004; Berthon, Ewing, & Hah, 2005).

The employer branding movement is relatively new as scholars found it was not a part of human resources and communication professionals’ thinking or vocabulary in the mid-1990s (Ambler & Barrow, 1996). The motivation behind employer branding programs is improving employee engagement, which is described as “the ability to capture the heads, hearts, and souls of your employees to instill an intrinsic desire and passion for excellence” (Fleming & Asplund, 2007, p. 2).

Employer branding is focused on developing intellectual and emotional buy-in among employees to the point where they are committed to their employers, reflect the brand’s values and become brand champions (Mahnert & Torres, 2007; Thomson, Chernatony, Arganbright & Khan, 1999). But is this focus on values also leading to a greater emphasis on ethics in companies and organizations?

Focus of Study & Sample

The primary purpose of the study was to understand internal communicators’ role in ethics and employer branding. The sample size was 32 executives, and most of the participants worked in public relations with 20 (62.5%) participants, 5 (16%) in human resources, 1 (3%) in marketing, and the remaining 6 (19%) were external consultants who advised internal communicators in the areas of marketing, human resources, and public relations. The executives worked in the following sectors: 12 corporate (37.5%), 10 education/nonprofit (31%), six agencies (19%), and four government/military (12.5%). The sample included employers with strong national and regional brands \( n = 18 \) and well identified core values. Seven of the companies are featured among the Fortune 500, three among the Global 500, and two of the employers recently have been featured on Fortune’s “100 Best Companies to Work For.”

Findings

The internal communicators indicated they are indeed aware of and embrace the employer branding movement. They then discussed how they promote ethics and the employer brand during the recruitment and orientation phases, the types of ethics resources they provide to
employees, their ongoing communication efforts to reinforce the company/organization’s ethics and values, and how they personally are enacting the role of an ethical conscience.

The findings led to the following recommendations:

1) Employers should communicate ethics in a culturally relevant way through employee testimonials and historical anecdotes.
2) Employers should review their core values to identify any inconsistencies with their policies and reward systems and then make necessary revisions.
3) Employers should review their recruitment and orientation materials for inclusion of core values and consistency with their employer brand.
4) Employers should evaluate their existing ethics programs and determine if any additional resources should be added.
5) Employers should conduct routine surveys to determine how employees rate the company/organization’s performance in regards to their core values.
6) Employers should evaluate and reward employees who model ethical behavior through annual performance reviews and awards programs.

Due to their strong communication skills, public relations practitioners can make a significant contribution in the areas of developing promotional materials and videos to promote ethics and values, and they should seek to collaborate with human resources. However, their roles should not be limited to communication tactics, public relations practitioners also should pursue a seat at the table during the planning phase, which refers to when values are first identified and refined, and in the evaluation phase by conducting survey and qualitative research.
Introduction

Promoting a company or organization’s core values is being hailed as a competitive advantage as part of a movement in the marketing and human resources fields called employer branding (Ambler & Barrow, 1996; Foster, Punjaisri & Cheng, 2010; Lloyd, 2002; Moroko & Uncles, 2008; Vallaster & de Chernatony, 2005). Some of the characteristics associated with strong employer brands include a strong brand identity, positive reputation, differentiation from competitors, and perceptions of delivering on brand promises (Moroko & Uncles, 2008). Strong employer brands typically appear on prominent lists of best places to work and invest heavily in internal communication (Johnson, 2001).

The motivation behind employer branding programs is improving employee engagement, which is described as “the ability to capture the heads, hearts, and souls of your employees to instill an intrinsic desire and passion for excellence” (Fleming & Asplund, 2007, p. 2). Employer branding is focused on developing intellectual and emotional buy-in among employees to the point where they are committed to their employers, reflect the brand’s values and become brand champions (Mahnert & Torres, 2007; Thomson, Chernatony, Arganbright & Khan, 1999). But is this focus on values also leading to a greater emphasis on ethics in companies and organizations?

Values have been defined as “guiding principles in people’s lives” (Schwartz, 1996, p. 2) and “beliefs about desirable…behaviors that transcend specific situations, and guide selection or evaluation of behavior and events” (Schwartz & Bilsky, 1987, p. 551). Values are believed to represent “enduring notions of goodness and badness that guide behavior in a variety of contexts,” and are usually resistant to change (Burgoon, 1989, p. 132). While people are expected to have values that guide their decision making, what about employers? Goodpaster and Matthews (1982) wrote that employers ideally should have a corporate conscience, which involves “a lack of impulsiveness, care in mapping out alternatives and consequences….and awareness of and concern for the effects of one’s decision and policies on others” (p.134). Berg (1986) also suggested that companies should have values and referred to how historical accounts about the corporation’s founding are often used to illustrate desired values or behavior and develop a sense of belonging. While related to values, ethics could be described as acting on our values as ethical decision making “involves making rational choices between what is good and bad, between what is morally justifiable action and what is not” (Patterson & Wilkins, 2005, p. 4).

Scholars have previously identified communication about values and ethics as a core responsibility of employers. Trevino, Hartman, and Brown (2000) pointed out that “if people do not hear about ethics and values from the top, it is not clear to employees that ethics and values are important” (p. 135). Bowen (2004) identified the following resources as essential: an ethics statement and employee training programs emphasizing the organization’s values and mission. Consistent with employer branding, she found that the organization’s reputation for ethics was a key factor that attracted employees to a career at an exemplar organization (Bowen, 2004). While scholars have advocated for ethics training, Lee and Cheng (2012) found through survey research that more than half (52%) of public relations practitioners reported that their organizations did not provide ethics training.

So who should be responsible for training and reinforcing core values and ethics in the workplace? Scholars have suggested this type of communication should be a part of employee orientation and routine communication (Byrne & LeMay, 2006; Cheney, 1983; Stephens & Dailey, 2012). Many terms have been used to describe those who oversee such communication
efforts such as internal marketing, internal public relations, employee relations, and management communication, but among the most accepted terms is internal communication (Verčič, Verčič, & Sriramesh, 2012). Studies have consistently found that internal communication is among the top five responsibilities of public relations and communication management executives (Verčič et al., 2012). However, the responsibility for internal communication varies by organization. Previous survey results indicated that corporate communications was the most common place for internal communication to be placed at 44%, followed by human resources at 18%, and public relations or public affairs at 8% (Dewhurst, 2006).

Internal communication can include routine communication with existing employees through a range of channels including face-to-face, company newsletters, and email to provide information about new employees or promotions, updates regarding benefit programs, and recognize individual contributions and achievements (Argenti, 1998; Cheney, 1983). Those routine activities are typically led by departments such as corporate communications, internal communication or human resources. More strategic roles may include creating a corporate identity, motivating employees, communicating organizational change, and providing the information necessary for employees to complete their jobs (Asif & Sargeant, 2000). These strategic responsibilities would likely require more oversight and participation by senior leaders and direct supervisors. While most of these programs would be considered formal communication (Asif & Sargeant), internal communicators also must be aware of informal communication such as rumors (Elving, 2005), role modeling (Vallaster & de Chernatony, 2005), and reward systems (Mahnert & Torres, 2007; McDonald & Nijhof, 1999).

Previous research related to ethics and values communication has examined the characteristics of ethical leaders and how they transfer ethical knowledge (Lee & Cheng, 2011), oversight of ethics programs (Fitzpatrick, 1996), public relations practitioners’ perceptions about providing ethics counsel (Bowen, 2008; Neill & Drumwright, 2012), and public relations’ role in organizational value setting (Sison, 2010). Despite these contributions, scholars have decried the lack of “systematic empirical or theoretical research on ethical leadership in public relations” (Lee & Cheng, 2011, p. 47) and the “surprisingly sparse” contributions from the public relations and corporate communication disciplines in the realm of internal communication (Mishra, Boynton & Mishra, 2014; Welch, 2011). More research is needed to examine whether or not the trend of employer branding may contribute to an ethical culture or climate. While some scholars have identified corporate brand values as a core component of effective employer branding (Foster et al, 2010; Moseley, 2007; Vallaster & de Chernatony, 2005), there is a lack of empirical research that describes these programs in practice.

The purpose of this study is to examine practitioners’ views on internal communication and whether or not the trend of employer branding is contributing to an ethical culture or climate. Specific issues that are addressed include whether or not internal communicators are aware of and embracing the employer branding movement, how new employees are first introduced to values and ethics, what types of ethics training and resources are provided, how ethics and values are reinforced in the workplace, and whether there is any evidence that internal communicators are providing ethics counsel. To examine these issues, 32 in-depth interviews were conducted with business executives working in a variety of sectors including corporate, nonprofit, government, and consulting firms in the U.S. Study participants included executives from marketing, human resources, and public relations because previous studies listed these
departments as most likely to manage some aspects of internal communication (Dewhurst, 2006; Johnson, 2001).

**Literature Review**

A theoretical foundation for the study of ethics and values communication in the context of internal communication can be grounded in social learning and organizational identity theories. It is also appropriate to examine previous research related to employer branding, ethics training and values communication programs, as well as the role of ethical conscience.

**Social Learning Theory**

Ethics training programs and values communication are part of a process that scholars have referred to as secondary socialization (Berger & Luckmann, 1967) or identification (Kelman, 1961; Kohlberg, 1969). Primary socialization occurs in childhood when a child obeys parents’ rules to avoid punishment or to receive rewards (Piaget, 1997; Rest, Turiel, & Kohlberg, 1969). Secondary socialization or identification refers to when an individual adopts behavior in order to maintain relationships with another person or group (Kelman, 1961). In the workplace, these relationships would be with your direct supervisor and coworkers.

Some core concepts related to identification include social norms and descriptive norms. Social norms are “rules and standards that are understood by members of a group and that guide and/or constrain social behavior without the force of laws” (Cialdini & Trost, 1998, p. 152). Another guide for behavior comes from observation of others, called descriptive norms (Cialdini & Trost, 1998), which involves following others’ lead saving us time and effort. Scholars suggested we are most likely to imitate the behavior of those who have visible signs of success such as wealth, power, or status (Cialdini & Trost, 1998). Bandura (2001) called this vicarious learning when people are “motivated by the successes of others who are similar to themselves,” and are discouraged to pursue behavior by others that has led to adverse consequences (p. 274). Social learning theory suggests that we learn not only from our own experiences, but from observing others’ actions and consequences (Bandura, 2001; Lee & Cheng, 2012), and that leaders influence ethical conduct through modeling (Lee & Cheng, 2011).

Eventually some rules or social norms are internalized and become personal norms (Cialdini & Trost, 1998) and are considered part of an individual’s value system (Kelman, 1961). Internalization of a company’s core values is related to the development of organizational identity.

**Organizational Identity**

Organizational identity refers to “what members perceive, feel and think about their organizations”… as well as a “collective, commonly-shared understanding of the organization’s distinctive values and characteristics” (Hatch & Schultz, 1997, p. 357). One of the ways that organizations try to build organization identity and engagement is through employee orientation and other training programs. Organizations spend $54 billion annually on formal orientation programs for new employees to build employee identification (Stephens & Dailey, 2012). Some common approaches employers uses to encourage identification include the common ground technique, which involves expressing concern for the employee, promoting shared values, sharing praise by outsiders or testimonials by employees (Cheney; 1983).

**Employer Branding**
Employers are now taking a more proactive approach to build organizational identification through employer branding programs. The employer brand is defined as “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (Ambler & Barrow, 1996, p. 187). The employer brand package may include professional development, training, and promotional opportunities (functional or development benefits), as well as a competitive salary and benefits (economic benefits), and feelings of belonging and purpose (symbolic or psychological benefits) (Ambler & Barrow, 1996; Backhaus & Tikoo, 2004; Berthon, Ewing, & Hah, 2005). The employer branding movement is relatively new as scholars found it was not a part of human resources and communication professionals’ thinking or vocabulary in the mid-1990s (Ambler & Barrow, 1996). Employer branding has close ties to internal marketing; however, original efforts were focused on convincing employees to be more customer-service minded and to achieve organizational goals (Backhaus & Tikoo, 2004; Mosley, 2007). Now the marketing efforts have shifted to “to communicate to existing and prospective staff that it is a desirable place to work” (Lloyd, 2002, p. 64). For the purpose of this study, employer branding is defined as the promotion of core values to build employee identification and an ethical workplace beginning with employee recruitment and orientation followed by routine communication and rewards systems.

Employer branding is grounded in and overlaps with traditional marketing concepts such as corporate reputation and brand equity. Corporate reputation refers to “a collective representation of a firm’s past actions and results that describes the firm’s ability to deliver valued outcomes to multiple stakeholders” (Lyon & Cameron, 2004, p. 215). Through marketing campaigns, companies and organizations try to build consumer-based brand equity, which “occurs when the consumer is familiar with a brand and holds some favorable, strong, and unique brand associations in memory” (Keller, 1993, p. 2).

Prospective employees also have preconceptions about a company based on their past experiences with the brand and its external communication efforts. Three characteristics associated with strong employer brands are 1) being known and noticeable, 2) relevant and resonant, and 3) differentiated from competitors (Moroko & Uncles, 2008). High employer brand equity would encourage prospects to apply for jobs with the company/organization or existing employees to stay due to its positive reputation (Backhaus & Tikoo, 2004). Any inaccuracies or conflicts with these original perceptions could be considered a violation of the psychological contract, and lead to turnover, job dissatisfaction, reduced trust and job performance (Backhaus & Tikoo, 2004; Robinson & Rousseau, 1994). Employee satisfaction and engagement matters because employees serve as brand ambassadors who are responsible for delivering brand promises (Thomson et al., 1999; Vallaster & de Chernatony, 2005), and their interaction with customers can impact corporate reputation.

Some scholars have used different terminology to distinguish internal branding activities with employer branding referring to employee recruitment efforts, and internal marketing or branding referring to internal communication efforts (Foster et al., 2010). However, both activities need to be aligned for effective brand management (Foster et al., 2010). Some of the features that companies promote to attract prospective employees are experiential benefits such as education, training, opportunity for advancement, and culture (Moroko & Uncles, 2009). Through survey research, Biswas and Suar (2013) found employees value a workplace with novel practices and opportunities for creativity (interest value); a supportive team atmosphere
(social value); good compensation, job security and promotional opportunities (economic value); and employers that provide recognition, self-worth and confidence for the future (developmental value). However, scholars caution the brand promise and actual experiences of employees need to be aligned with the culture, policies and procedures as “any gaps…will become starkly evident” (Moroko & Uncles, 2008, p. 166) and could lead to employee disengagement. Additional research is needed to determine whether internal communicators are aware of and embracing the employer branding movement and what it looks like in actual practice.

Internal Communication of Values

Scholars have suggested that internal communication “represents the fundamental values of an organization” and “it is tangible evidence about what the leadership believes and the values for which leadership stands” (Harshman & Harshman, 1999, p. 3). When top managers were asked to list their goals for effective internal communication, among the top seven were increasing employee understanding of the company’s ethics and culture (Argenti, 1998). Foundational to a company’s culture are its core values. Scholars have suggested that ideally employees should understand their employer’s values and internalize them to the point where they enact them as brand ambassadors (Thomson et al., 1999). Furthermore, researchers have recommended that employers recruit, train and reward employees in alignment with their values (Mahnert & Torres, 2007). While scholars have given attention to the precepts of employer branding (Lloyd, 2002; Moroko & Uncles, 2008; Vallaster & de Chernatony, 2005), empirical research is scarce regarding how companies and organizations are building organizational identity and encouraging employees to live out their core values in their everyday work.

Ethics Training & Values Communication Programs

Scholars have provided insights into the process of how core values are developed in the workplace. In a previous study, Sison (2010) found that the CEO often with the executive team develops the core values as part of a strategic planning effort and then refines them, sometimes with the assistance of communication professionals (Sison, 2010). The two stages when communication professionals often have the most influence are in developing communication strategies and programs to promote those core values, and then actually disseminating those messages through company events and newsletters (Sison, 2010). These two steps are often completed in collaboration with human resources (Sison, 2010).

Identifying core values is not enough; employers also must detect and remove any barriers to ethical behavior in the workplace. First, McDonald and Nijhof (1999) recommended that employers identify and examine five factors that can impact ethical decision-making in companies and organizations. The first factor involves identifying existing norms and values and determining whether or not those are encouraging or discouraging ethical behavior (McDonald & Nijhof, 1999). The remaining factors involve examining the work environment, particularly the formal decision-making processes and the availability of necessary resources, and those associated with the employee such as personal skills in making moral decisions and intentions.

Once core values are developed and barriers are addressed, ethics training and resources should be provided to employees. Some of the resources commonly used to promote ethics in the workplace include a code of conduct, employee training, storytelling, reward systems, ethics audits, ethics hotlines, and an ombudsperson (McDonald & Nijhof, 1999). Halff (2010) said codes of conduct are “the most visible agreements of a corporation’s norms” (p. 358). However,
Stevens (2008) pointed out that “the mere existence of a corporate code of ethics does not prevent acts of egregious behavior” (p. 603). To be effective, the values need to be clearly communicated and culturally embedded (Stevens, 2008), meaning the codes are actually used to resolve ethical dilemmas, those who behave consistently with the code are rewarded, and leaders model behaviors consistent with the code. Consistent with these studies, new research in employer branding should explore how employees are trained and introduced to the company/organization’s ethics policies and values, which departments oversee those programs, and what resources are being provided.

**Role of Ethical Conscience**

Scholars have advocated that communication employees should provide ethics counsel (Bowen 2008; Neill & Drumwright, 2012; Sison, 2010). For example, Sison (2010) suggested the “potential” existed for public relations practitioners “to become agents of critical conscience” in the context of values communication (p. 330). An ethical or organizational conscience has been defined as “a professional who raises concerns when his or her organization’s actions might bring about potential ethical problems leading to troubling consequences for various parties, who may be individuals, groups, organizations… both within and outside the organization” (Neill & Drumwright, 2012, p. 221). Sison (2010) suggested that the characteristics associated with an organizational conscience include the ability to influence top management, a good relationship with the CEO, and a willingness to “promote, debate, critique” ideas (Sison, 2010, p. 331). While the ethical conscience role has been supported generally through empirical research in the public relations profession, there is a lack of research regarding this role in the context of internal communication.

This review of the literature suggests several topics related to ethics and values communication that deserve more attention. Specific questions that should be addressed include:

- **RQ1**: Are internal communicators aware of and embracing the employer branding movement, and if so, how does this impact their approach to internal communication?
- **RQ2**: Do employer branding efforts focus on ethics, and if so, how are ethics communicated?
- **RQ3**: Do internal communications believe that they should provide ethics counsel, and if so, to what extent do they do so?

**Research Design**

Based on the research questions regarding internal communication efforts to promote employer branding and ethics, qualitative research is appropriate. In-depth interviews have previous been used to study public relations’ role in value setting (Sison, 2010), characteristics of ethical leadership in public relations (Lee & Cheng, 2011), and organizational factors associated with an ethically exemplar organization (Bowen, 2004). Personal interviews are considered appropriate when the subject matter is highly confidential, when group pressure is likely to alter or discourage honesty, and when there is a need to probe attitudes, behaviors and motivations (Davis, 2012).
Sampling

The primary purpose of the study was to understand internal communicators’ role in ethics and employer branding. Because previous studies suggested that corporate communication or public relations often oversees internal communication (Dewhurst, 2006), a recruitment message was placed on the Public Relations Society of America (PRSA) LinkedIn group. In addition, the researcher also reached out to communication professionals working with employers featured on lists of best places to work. Consistent with snowball sampling (Wimmer & Dominick, 2006), early participants were then asked for referrals both within and outside their organizations of other executives who managed or executed internal communication on behalf of their organizations or clients. The sample size was 32 executives, and most of the participants worked in public relations with 20 (62.5%) participants, 5 (16%) in human resources, 1 (3%) in marketing, and the remaining 6 (19%) were external consultants who advised internal communicators in the areas of marketing, human resources, and public relations. Sixteen participants (50%) were in manager or director level positions, five were vice presidents, five were coordinators/specialists, and six were consultants. The sample included 23 (72%) women and nine (28%) men, and four minority participants (12.5%). The executives worked in the following sectors: 12 corporate (37.5%), 10 education/nonprofit (31%), six agencies (19%), and four government/military (12.5%). The sample included employers with strong national and regional brands (n = 18) and well identified core values. Seven of the companies are featured among the Fortune 500, three among the Global 500, and two of the employers recently have been featured on Fortune’s “100 Best Companies to Work For.” The employers represented 11 states in the United States including Arizona, California, Georgia, Illinois, Maryland, Massachusetts, Missouri, Mississippi, New York, Tennessee, Texas and the District of Columbia.

Those selected for the study participated in in-depth interviews, which averaged 39 minutes. Most of the interviews (n = 29) were conducted by phone and the other three in person using the same interview protocol (Appendix A). All participants signed consent forms, which assured participants of anonymity and confidentiality. The interviews were audio-recorded and transcribed for analysis producing 305 pages of typed, single-spaced text or almost 21 hours of interviews.

Interview Protocol and Data Analysis

An interview guide was used, which is a more flexible and informal option to the rigid interview schedule (Lindlof & Taylor, 2002). As part of a larger study, participants were first asked questions regarding the role of employee communication in their organization, the existence of any programs to brand their company to attract employees, whether employee orientation involves discussing the organization’s values and about any ongoing communication efforts to reinforce their values. Thereafter, participants were asked these specific questions regarding ethics: “How large of a role would you say ethics plays in the organization’s day-today operating decisions,” “How often would you say you counsel or advise executive management on the ethics of organizational actions or decisions and can you describe a specific example,” “Are there any types of codes of conduct, ethics policies, decision-making frameworks, values statements or other guides to ethics in your organization”, “How are new employees trained or educated about values and ethics that should guide their work in the organization” and “Does
your organization openly discuss ethical dilemmas?” The questions were developed after a thorough review of the literature on employer branding and ethics.

The data were analyzed using standard qualitative approaches (Miles & Huberman, 1994). The researcher developed a code book (Appendix B) and then coded each interview based on the conceptual framework and key variables under study. Next composite code sheets were created electronically using qualitative research software reflecting all the respondents’ comments for each theme. Then the researcher wrote memos and analyzed the data further to identify additional insights. Multiple participants at three of the companies/organizations discussed the same issues allowing a means for verifying accuracy. The process also included negative or discrepant case analysis to identify any examples disconfirming or challenging emerging findings (Merriam, 2002). To establish intercoder reliability, a sample of 25% of the transcripts was independently coded by a graduate student using the code book and QDA Miner software, which calculated inter-rater reliability as 88.3% using percent agreement, .526 Scott’s Pi and .528 Krippendorff’s Alpha.

Findings

The internal communicators indicated they are indeed aware of and embrace the employer branding movement. They then discussed how they promote ethics and the employer brand during the recruitment and orientation phases, the types of ethics resources they provide to employees, their ongoing communication efforts to reinforce the company/organization’s ethics and values, and how they personally are enacting the role of an ethical conscience.

Evidence of Employer Branding

The first research questions asked are internal communicators aware of and embracing the employer branding movement, and if so, how does this impact their approach to internal communication? The exact terminology used slightly varied from “internal branding,” “employee brand” or “employer brand,” but the majority of the internal communicators (n=21) were able to list specific tactics they were using to promote their core values to employees. This responsibility was viewed holistically as a managing director for a public relations agency said: Whenever you think about … internal branding, you need to think about it over the life cycle of the employee. So from the time they are hired and going through employee orientation until the day that they walk out the door.

Core values were the foundation of employer branding activities. A senior manager of internal communication said, “Our core values are really at the heart of everything we do.” Others said, “It’s (core values) weaved throughout our communications as well as one-on-one meetings,” and “We’re covering those topics at least quarterly in our different publications’ schedules.” Examples of common core values found in the organizations that participated in the study included collaboration or “working without silos,” respect, honesty, integrity, humility, character, innovation, workplace safety, and customer service. An internal communication consultant cautioned that company values need to reflect reality: It would be nice if we could be brought in earlier with the values discussion because… some of them have way too many, and then some of them have aspirational values; they’re not core…so there’s a little bit of an eye roll even with what’s listed as their values.
The consultant explained that aspirational values are “values that essentially we’d like to see happen, but they don’t – it’s not core to who you are” but core values are “not optional” as they are highly integrated into business operations. Consistent with this perspective, another consultant added “how people describe (an) employee brand has to be consistent with …who the organization is.”

For one organization, the values associated with the new employer brand involved a dramatic shift in day-to-day operations. As the chief marketing officer said,

The way we were structured before - and this went all the way down to how employees were annually reviewed - if you ran a specific development program…and your revenue goal was $30 million, that’s what you focused on. And so you acted like that, which caused you to work in a silo versus now we value collaboration and working without silos and being innovative. And so you see a lot of cross functional teams. A lot less about who’s owning it.

Two of the executives report that their companies assess their performance related to core values through survey research with employees. As a human resources manager said:

I’ll look at our values scores too. So our values are supposed to be integrity, courage, curiosity – I’ll look to…say, “Alright, how are we doing here?” Because if we’re struggling in an area it makes me wonder are we not communicating well? Are we not being honest? Or are we not being perceived as being honest.

While most of the organizations had strong cultures and clear values, three participants said their organizations did not have core values that had been defined, and that appeared to be impacting employee engagement. As a communication director described:

That was one of the things that I thought was odd. And that’s actually been identified as a need and the company’s going through a process now of …determining basically what is our purpose, what’s the reason people get up to come to work every day… How do you get employees connected and engaged with the direction of the organization… particularly in this business environment where with unemployment being what it is…I even see it on the foundation side of it. So to me it’s an indication of employees not feeling as connected to the organization.

**Introducing an Employer Brand and Ethics**

The next research question asked do employer branding efforts focus on ethics, and if so, how are ethics communicated? Findings indicated that prospective and new employees are exposed to the company’s core values during recruitment and introduced to both core values and ethics during orientation. Five of the participants reported that they promote their core values as part of the employee recruitment process, which is led by human resources.

Once employees are hired, several participants \((n=11)\) said that human resources led their orientation programs. However, three participants said that internal communication, communications or marketing actually assisted in the development of programming for orientation. Several participants \((n=9)\) said that their orientation discussed the history of the organization and branding, and others \((n=12)\) reported that their orientation covered mission, vision and core values. As a vice president of corporate communication described:
A heavy focus on culture, mission and brand. And it’s like 80% that and 20% the administrative side of being a (name of company) employee. So instead of it being 80% let’s get you signed up for your benefits, get your emails and get yourself through the class and out the door and off to work, it’s more of a really intense three day sort of boot camp that is about 80% oriented toward mission, the members (customers) we serve, the culture that we have and literally designed to kind of get you to – so you come out of there just fired up.

Ten of the executives also said their new employee orientation covers ethics and their code of conduct, often requiring new employees to “sign off” in agreement. As a vice president of communications said, “At orientation, we clearly state our expectations as far as what our expectations are for their behavior and separate from the compliance training; ethics is the equal level of support of our values.”

While human resources tends to be most influential during recruitment and orientation, a communication director described the role of marketing in revising the process from compliance to a cultural focus:

It was very poor…it initially was really just almost a compliance sort of orientation where you went through HIPAA (Health Insurance Portability and Accountability Act), you went through what your benefits were; you went through safety and security… So what we’ve done is looked at from a content perspective, what is it that we want each employee to really focus on…we also want to make sure that they get sort of a history and because (name of employer) brand is so strong, an idea of just the magnitude of the importance of work that (name of employer) has done over the years, so we have a pretty strong video…we’ve helped them make it more engaging.

**Building and Maintaining an Employer Brand and Ethical Culture**

An employer brand and ethical culture require ongoing communication as well as specific programs and resources. The two most common approaches for reinforcing values and ethics are routine communication (n=11) and awards programs (n=6). Public relations professionals were most likely to write and distribute day-to-day communication messages distributed to employees while human resources executives tended to oversee the annual awards program.

Two of the participants reported that they have an editorial calendar that involves regularly scheduling content in employee newsletters about the company/organization’s core values, and several participants (n=9) routinely review all their communication messages for inclusion of core values. As one human resources executive said:

We have three kind of building blocks of our strategy and our messaging has to tie back to that, and so we as internal communications folks when we are setting things up like in the calendar and we are putting things out for our colleagues to do a story on, we have to let them know which one of the priorities that this ties back to.

Some of the communication tactics used to reinforce core values included town hall meetings, monthly lunch and learn sessions, and posters. As part of their routine communication efforts, a few internal communicators (n=2) also seek testimonials that reinforce their values. As a vice president of communication described:
We are always building feature narrative or feature editorial coverage…and then also using case studies of employees and of managers who are really demonstrating our values or bringing our values to life.

The internal communication executives reported that their companies and organizations are providing multiple ethics resources, (Table 1), which are promoted through routine communication. These resources include annual compliance training that includes ethics as reported by the majority of participants (n=18); two participants also said their employees have to sign and reaffirm their code of ethics on an annual basis. Several participants reported that the ethics training is now offered through online computer training modules (n=10). As a communication director described:

It’s kind of an interactive computer module; it’s like a self-paced. It kind of walks you through and then at the end you have to answer a series of questions and I think you need 80 percent correct to pass and get your certificate that you’ve completed.

Table 1: Ethics Resources Provided

<table>
<thead>
<tr>
<th>Type of Resource</th>
<th># Reporting Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Compliance Training</td>
<td>18</td>
</tr>
<tr>
<td>Code of Conduct</td>
<td>6</td>
</tr>
<tr>
<td>Hotlines</td>
<td>6</td>
</tr>
<tr>
<td>Ethics Policies</td>
<td>5</td>
</tr>
<tr>
<td>Employee Handbook</td>
<td>4</td>
</tr>
<tr>
<td>Ethics &amp; Compliance Officer</td>
<td>2</td>
</tr>
<tr>
<td>External Reporting System</td>
<td>2</td>
</tr>
<tr>
<td>Decision Tree</td>
<td>1</td>
</tr>
</tbody>
</table>

Other common resources included ethics hotlines, codes of conduct, employee handbooks, and ethics policies often posted on the intranet. Some employers (n=6) also are reinforcing ethics and values by tying them to their annual awards program A human resources manager described her company’s specific efforts:

Our recognition program is based on the values. So when someone receives an award or gets a nomination for an award, it has to be related to one of the values. And then we have values painted all over the office on the wall, so those are the two big reinforcements. And then they’re also… rated on the values in your annual performance review.

A vice president of communication said direct supervisors also play a role in reinforcing the company’s values:

We also made it a requirement for managers to have – we have four shared purpose weeks where managers are encouraged to ensure that employees are familiar with it and have a high degree of confidence that they’re modeling behavior that we expect.

While most participants described proactive efforts to reinforce values, an external consultant described her previous experience working in a financial institution where that was not the case:
What we were saying in the media is that we are operating … at the highest level of integrity, but understanding that the mortgage companies, those were hired guns and they never (were) really indoctrinated; they never drank the Kool-Aid of the culture in … there was more focus on telling the public and the media that we have integrity than it was telling the employee to obey.

**Evidence of Ethical Conscience Role**

The final research question asked do internal communications believe that they should provide ethics counsel, and if so, to what extent do they do so? Findings provided evidence that internal communicators are providing ethics counsel as several (n=7) participants provided specific examples. This role involved advising supervisors to help them “understand the impact (of their decisions) on employees and what employees will feel,” and counsel about “being transparent, being open and honest with people even if you don’t have the answers.” As an internal communication manager said,

> The communications team has always been the one to stand up and say, “Wait, let's think about this. Let's think about how this is going to be perceived; let's think about what behavior are we modeling? Are employees going to see this as reinforcement of something inappropriate that we don't want them to copy?” So those conversations are taking place sort of all the time.

Others discussed making sure survey results were presented in aggregate form to protect the identity of employees, and checking messages for accuracy. A human resources director said internal communicators play a vital role in preventing communication mistakes:

> Sometimes when you’re working with communications, you’re the last person to see it before it passes a lawyer and goes off to be communicated to people. And you’re kind of the last one to say, “You know are you sure you want to do that? Do you want to think about this one more time?” …I kind of view the role as sometimes the last common sense checker or gut checker… is this really going to play well if you put this out there? Let’s think about this one more time…And there was one decision we worked with last year that we just said, “No, this isn’t quite the right thing to do. What do you think?” And eventually with a bit of talking we got to where we needed to be.

However, providing ethical counsel is not always welcomed by employers. A communication specialist provided a specific example regarding the time when she lost her job after raising ethical concerns about new medical procedures in a healthcare organization:

> I’ve advised my director, who would report to the CEO and … it had a lot to do with …jumping the gun on medical procedures and not being prepared for the aftermath… Promoting it to the public and pushing something that had only been in place for a few months and only a few cases under their belt was very risky… there’s a lot of things that I should of, could of, would have done, but all I can do is provide my advice as a communications specialist. And there were some other things that they were being deceitful to the public.

Other internal communicators were not as comfortable with the role of ethical conscience. When asked about her likelihood to counsel or advise executive management on the ethics of organizational actions or decisions, an internal communication manager said, “I
wouldn’t say internal communications does that. No, we wouldn’t do it.” Similarly, a director of internal communication said, “I’m not even sure that’s in the scope of what my responsibility would be here.”

Discussion & Implications

This study provides evidence that internal communicators are embracing the trend of employer branding, which is grounded in a focus on ethics and core values in the workplace. Some critics may argue that employer branding is nothing more than enlightened self-interest or the pursuit of ethical practices based on the belief that it is good for business in order to increase profitability and avoid government regulations (Baker, 1999). However, this study provides evidence that employer branding is shifting the focus from communicating ethics from just a compliance perspective to a more culturally relevant discussion (Stevens, 2008), which is a commendable endeavor. Scholars previously have suggested that codes that “are embedded in the organizational culture and communicated effectively” are more likely to impact employee decision-making in contrast to those passed down as a mandate (Stevens, 2008, p. 607).

One encouraging example provided in this study was a health organization, which changed its employee orientation from focusing on just compliance issues and benefits to more content about the history of the brand. This is consistent with creating an ethical climate, which refers to positive behavioral norms, role models, and historical anecdotes about times when the company chose to do the right thing (Cohen, 1993). In stark contrast was the example provided by the former employee of a financial institution that communicated externally about its commitment to ethics, but did not enforce the policies among employees. Similar to Enron, any ethics documents that may have existed were “an artifact that was separate from their culture” (Stevens, 2008, p. 604). These findings lead to the first recommendation:

7) Employers should communicate ethics in a culturally relevant way through employee testimonials and historical anecdotes.

A few internal communicators (n=2) warned that employer brands need to be authentic and emphasize values that are “core to who you are” not who you aspire to be. These inconsistencies would be an example of a violation of the psychological contract with employees and lead to various forms of dis-engagement (Backhaus & Tikoo, 2004; Robinson & Rousseau, 1994). One brand in this study faced that potential risk when they emphasized collaboration, but traditionally had rewarded individual achievements. This new identity required the shift to more cross functional teams, which are consistent with a participative culture (Bowen, 2004). Scholars have previously suggested that a participative culture, which is characterized as valuing dialogue and more diversity of perspectives, both by department and reporting levels, can encourage ethical decision-making (Neill & Drumwright, 2012; Bowen, 2004). Based on these concerns, the second recommendation follows:

8) Employers should review their core values to identify any inconsistencies with their policies and reward systems and then make necessary revisions.

Both human resources and public relations have significant roles to play in employer branding. Public relations’ role is strongest in the areas of creating strategic communication plans and disseminating key messages. As strong writers and storytellers, they have a natural role to play in communicating the brand’s story. However, public relations practitioners tended to be
less involved in employee recruitment and orientation, the stages at which employees are first introduced to the company/organization’s core values and ethics policies. Those efforts instead are led by human resources executives. Realizing the importance of these early stages, three public relations and marketing professionals reported that they were becoming more involved in creating promotional materials and videos in order to influence the content that new employees receive.

9) Employers should review their recruitment and orientation materials for inclusion of core values and consistency with their employer brand.

An encouraging finding was that the majority of participants (n=19) in this study reported their employers were providing ethics training to their employees. This appears to be a sign of progress as earlier studies found that half of public relations practitioners reported that their employers did not provide ethics training (Lee & Cheng, 2012). However, it should be noted that the study used a nonprobability sample that included employers that had been featured on lists of best places to work, so the sample may not be representative of the general population. Several of the ethics resources recommended by scholars (Bowen, 2004; McDonald & Nijhof) were being provided by the employers in this study including a code of conduct, storytelling, reward systems in the form of annual award programs, ethics hotlines, and an ombudsperson. However, no participant discussed the use of an ethics audit and only one participant named a decision-making tree as among the ethics resources provided. It is possible that employers do offer these programs, but that participants did not recall them when listing their employer’s ethics programs from memory.

10) Employers should evaluate their existing ethics programs and determine if any additional resources should be added.

From an evaluation perspective, it is commendable that two of the internal communicators in this study reported conducting routine surveys to obtain regular feedback from employees regarding how the organization is performing in alignment with its core values.

11) Employers should conduct routine surveys to determine how employees rate the company/organization’s performance in regards to their core values.

This study also provides evidence that employers are reinforcing their values and ethics policies through annual training, routine communication, and awards programs. Six of the participants reported that their awards programs specifically reward employees who are modeling ethical behavior, and one participant said this is also considered in annual performance reviews.

12) Employers should evaluate and reward employees who model ethical behavior through annual performance reviews and awards programs.

A potential area of concern associated with the ethics training is the move to online training modules, which provide no opportunity for discussions or questions. More research should be conducted to determine whether or not these methods are effective or if these programs need to be supplemented with workshops.

Some participants also reported using employee testimonials to reinforce their values, which scholars have upheld as an effective practice for fostering organizational identification and employee engagement (Cheney, 1983; Welch, 2011). In contrast, a few participants said their
employers have not identified core values. These situations offer the potential opportunity for internal communicators to offer ethical leadership and become involved in the process of developing and refining core values (Sison, 2010).

Finally, this study provided evidence that some internal communicators perceived a responsibility to provide ethics counsel, what some have referred to as an ethical or organizational conscience (Neill & Drumwright, 2012; Bowen, 2008). While previous scholars have studied the role of public relations as an ethical conscience in general, those studies did not focus specifically on this role in the context of internal communicators. In an earlier study on values communication, Sison (2010) identified the “potential” among some of the public relations practitioners “to become agents of critical conscience” (p. 330), and some participants in this study fulfilled this potential by providing specific examples of times when they provided ethics counsel and described the type of counsel they provided. Examples included counsel regarding how a decision may impact employees, encouraging leaders to be honest and transparent in their communication with employees, and checking messages for accuracy. These activities are consistent with public relations’ environmental scanning role, which involves identifying “stakeholders who are affected by potential organizational decisions,” counseling senior management regarding the potential reaction to those policies, and then recommending how those policies could be revised (Grunig & Hunt, 1984; Grunig, 2006, p. 159). However, this role was not fully endorsed as a few internal communicators perceived this to be beyond their job responsibilities.

**Limitations and Direction for Future Research**

While this study provided new insights into ethics and values communications, the sample was limited to 32 participants, so the results cannot be generalized. However, the sample did vary on key dimensions such as job titles, industry sectors, and geography, which are consistent with the goals of qualitative research in portraying the range of depth of the phenomena to develop theory (Bonoma, 1985; Drumwright & Murphy, 2004).

Additional research should be conducted using ethnography to provide organizational context and surveys to allow for generalization. Specific issues that merit additional study include the specific content of ethics training curriculum, employees’ perceptions regarding the effectiveness of ethics and values reinforcement programs such as testimonials and awards programs, and prevalence of the ethical conscience role among internal communicators. In addition, this study was focused on the role of internal communicators in promoting ethics, but it would also be beneficial to examine the role of senior leaders in employer branding and values communication.

**Conclusion**

This study has provided new insights regarding how internal communicators promote ethics and values among new and existing employees under the umbrella of employer branding. While public relations practitioners have an influential role in the two areas of creating strategic communication plans and disseminating messages to employees, they have a lesser role in employee recruitment and orientation, which are critical stages in developing organizational identity and engagement among new employees. Due to their strong communication skills, public relations practitioners can make a significant contribution in the areas of developing promotional materials and videos to promote ethics and values, and they should seek to
collaborate with human resources in this area. However, their roles should not be limited to communication tactics, public relations practitioners also should pursue a seat at the table during the planning phase, which refers to when values are first identified and refined, and in the evaluation phase by conducting survey and qualitative research. Many of these efforts reported in this study are consistent with the employer branding movement as mentioned in the marketing and human resources literature. Public relations scholars should begin to explore public relations’ potential contributions in this area as employees are a major stakeholder for employers, particularly as practitioners focus on reputation management and building brand equity. Educators should also explore how employer branding fits with their curriculum in order to prepare students to assume responsibilities in promoting a brand’s core values and ethics. Professional associations also may need to offer continuing education programs on employer branding that specifically address ethics and values communication. A natural fit would be the PRSA Employee Communications section and annual conference. Finally, public relations practitioners may provide ethical leadership by assuming roles in refining and updating an organization’s core values and encouraging employees to participate in that process.

References


Journal of Marketing, 57 (1), 1-22.


Schwartz, S. (1996). Value priorities and behavior: Applying a theory of integrated value systems. In C. Seligman, J.M. Olson, & M.P. Zaana (Eds.), The psychology of values:


Appendix A

Internal Communications
Interview Protocol
Warm-up:
Tell me about your role in this organization. How long have you worked here and what are your primary responsibilities?

Employee Communications:
I would next like to discuss the role of employee communication in your organization.
1. What does this involve?
2. Who typically oversees these activities? Is it led by one department or several?
   a. If more than one, which areas does each department oversee?
   b. Is there any collaboration between departments?
   c. How about any turf battles?
3. Does this description fit what you would describe as the ideal role for employee communications or not?
   a. If not, what would you change?
4. Are there any changes or trends that you’ve noticed in this area in the past few years?

Organizational Identity
5. Are there any types of communication programs here to try to brand your company to attract employees?
   a. If so, can you describe an example of such a campaign or program?
6. Who is responsible for new employee orientation programs here?
   a. How would you characterize the content of these programs
   b. Does any of this content involve discussing the company’s values?
   c. Are there any ongoing communication efforts to reinforce the company’s values? If so, please describe some examples.

Ethics
7. How large of a role would you say values or ethics plays in the organization’s day-to-day operating decisions?
8. How often would you say that you counsel or advise executive management on the ethics of organizational actions or decisions? Can you describe a specific example?
9. Are there any types of codes of conduct, ethics policies, decision-making frameworks, values statements, or other guides to ethics in your organization?
10. How are new employees trained or educate about the values and ethics that should guide their work in the organization?
11. Does your organization openly discuss ethical dilemmas?
12. Is there anything else you’d like to tell me about ethics or core values at (Organization name)?

Change Management
Today’s work environment has sometimes been described as turbulent due to mergers and acquisitions, downsizing and changes in management.
13. What types of special challenges does this present in the realm of employee communication?
14. Who would be responsible for this type of communication (change management – mergers, acquisitions, downsizing, changes in senior leadership)?
   a. Would these types of issues require any collaboration when developing communication programs or messages?
   i. If so, who would likely be involved?

**Internal Relationship Building/Coalitions**
15. How much of your job is focused on internal communication?
16. How important is building internal relationships to your job?

Previous research has suggested that company decision-making included both formal (announced) and informal (spontaneous) meetings.
17. Has this been your experience?
   a. If so, what role do internal relationships play in knowing how to navigate these decision groups?
   b. How does the existence of informal decision groups impact the way you approach internal communications?

**Metrics**
18. What types of metrics, if any do you use for internal communication?

**Wrap-Up Question**
19. Is there a question that I should have asked you that you’d like to address that would be beneficial to this study?

I’d like to thank you for participating in this study. If you have any additional thoughts or questions, feel free to contact me by phone or email.
## Appendix B: Code Book

<table>
<thead>
<tr>
<th>Code</th>
<th># of Mentions</th>
<th>% of Codes</th>
<th># of Participants Discussing Code</th>
<th>% of Participants Discussing Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethics training, policies, resources</td>
<td>107</td>
<td>9.2%</td>
<td>31</td>
<td>96.9%</td>
</tr>
<tr>
<td>Organizational Identity</td>
<td>83</td>
<td>7.2%</td>
<td>29</td>
<td>90.6%</td>
</tr>
<tr>
<td>Orientation</td>
<td>59</td>
<td>5.1%</td>
<td>31</td>
<td>96.9%</td>
</tr>
<tr>
<td>Values Communication</td>
<td>49</td>
<td>4.2%</td>
<td>23</td>
<td>71.9%</td>
</tr>
<tr>
<td><strong>Other Internal Communication Codes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collaborators</td>
<td>98</td>
<td>8.5%</td>
<td>32</td>
<td>100%</td>
</tr>
<tr>
<td>Change Management</td>
<td>95</td>
<td>8.2%</td>
<td>32</td>
<td>100%</td>
</tr>
<tr>
<td>Role of Internal Communication</td>
<td>111</td>
<td>9.6%</td>
<td>31</td>
<td>96.9%</td>
</tr>
<tr>
<td>Organizational Structure</td>
<td>83</td>
<td>7.2%</td>
<td>29</td>
<td>90.6%</td>
</tr>
<tr>
<td>Trends</td>
<td>81</td>
<td>7.0%</td>
<td>29</td>
<td>90.6%</td>
</tr>
<tr>
<td>Channels</td>
<td>74</td>
<td>6.4%</td>
<td>28</td>
<td>87.5%</td>
</tr>
<tr>
<td>Internal Social Media</td>
<td>58</td>
<td>5.0%</td>
<td>27</td>
<td>84.4%</td>
</tr>
<tr>
<td>Barriers/Challenges</td>
<td>79</td>
<td>6.8%</td>
<td>27</td>
<td>84.4%</td>
</tr>
<tr>
<td>Metrics/Measurement</td>
<td>79</td>
<td>6.8%</td>
<td>26</td>
<td>81.3%</td>
</tr>
<tr>
<td>Two-Way Communication</td>
<td>43</td>
<td>3.7%</td>
<td>25</td>
<td>78.1%</td>
</tr>
<tr>
<td>Supervisor Communication</td>
<td>48</td>
<td>4.1%</td>
<td>21</td>
<td>65.6%</td>
</tr>
<tr>
<td>Ambassadors</td>
<td>12</td>
<td>1.0%</td>
<td>6</td>
<td>18.8%</td>
</tr>
</tbody>
</table>