

Enterprise Relationship Management

**Building an Effective Employment Brand by
Bringing Together Brand, Internal Marketing
and Human Resources**

22 September 2005

Overview

- Enterprise Relationship Management
 - Background
 - The Differentiator
 - The Objectives
 - Internalising Brand
 - In a Nutshell
- Case Studies
 - Sanlam
 - Capital Alliance
 - MTN
- Q & A

Relationship Management Background

- External RM upsurge since early 90's (CRM)
- Business systems gearing, telecentres, database, etc
- Growth in loyalty initiatives, points-based programmes, clubs, etc
- Mid-90's saw a re-evaluation of RM initiatives - assessment of value, ability to change behaviour, reward usage and client satisfaction
- Big financial commitment with limited return

Relationship Management Background

- The missing element was “identified”
- Customer relationships depend on “dialogue”, on satisfaction of core needs and delivery on core expectations
- Customer satisfaction and service excellence are key to customer retention
- The hygiene factor must be right – in fact, today, “delight” is becoming the norm
- Research outcomes clearly indicated the need for ERM, for internal relationship management and marketing

Relationship Management Background

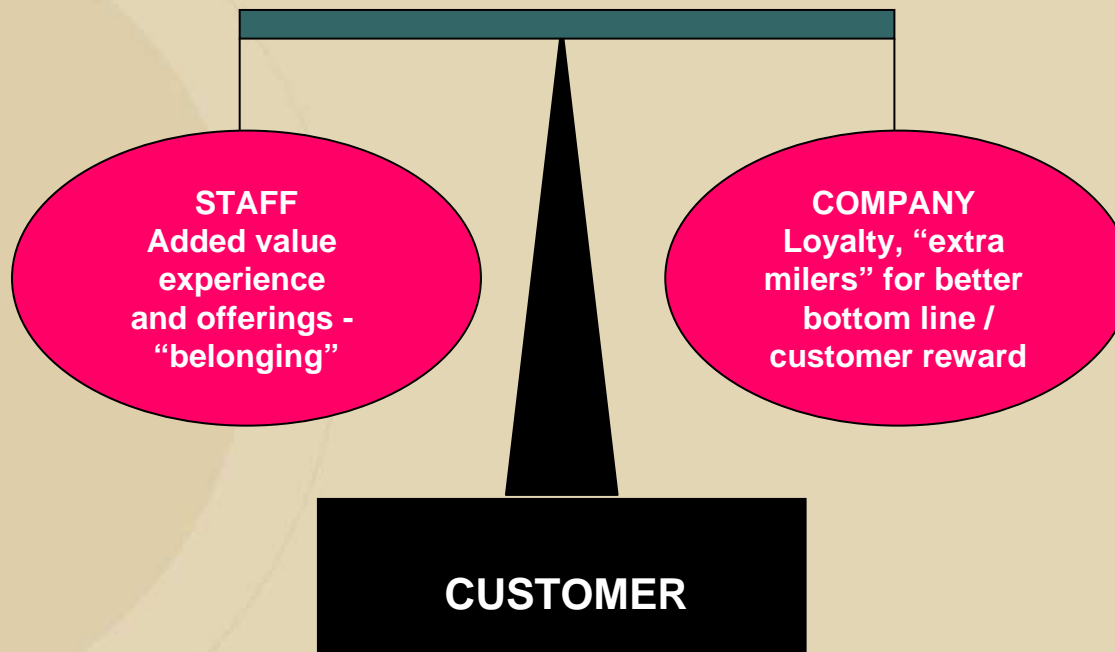
- Customer support and satisfaction cannot be achieved without a dedicated, passionate, educated and focussed internal team – at every level, each supporting the next
- Standards setting becomes critical
- Such standards are best communicated via a structured and architected programme where reward and recognition are intrinsic and a sense of belonging/improved loyalty are the objectives
- The outcome of a well designed programme is improved Performance Management, “housed” within a named and structured programme

The Differentiator

- **Product** – it's a parity market
- **Pricing** – seldom sustainable
- **Distribution** – it's a virtual world
- **Promotion** – can differentiate, but then your brand is only as good as the customer's experience
- **People** – that's the differentiator
- Your **customer** experiences people, your people's efficiency, people's friendliness, people's care – it's a high touch world!
- Your **employees** give you the edge

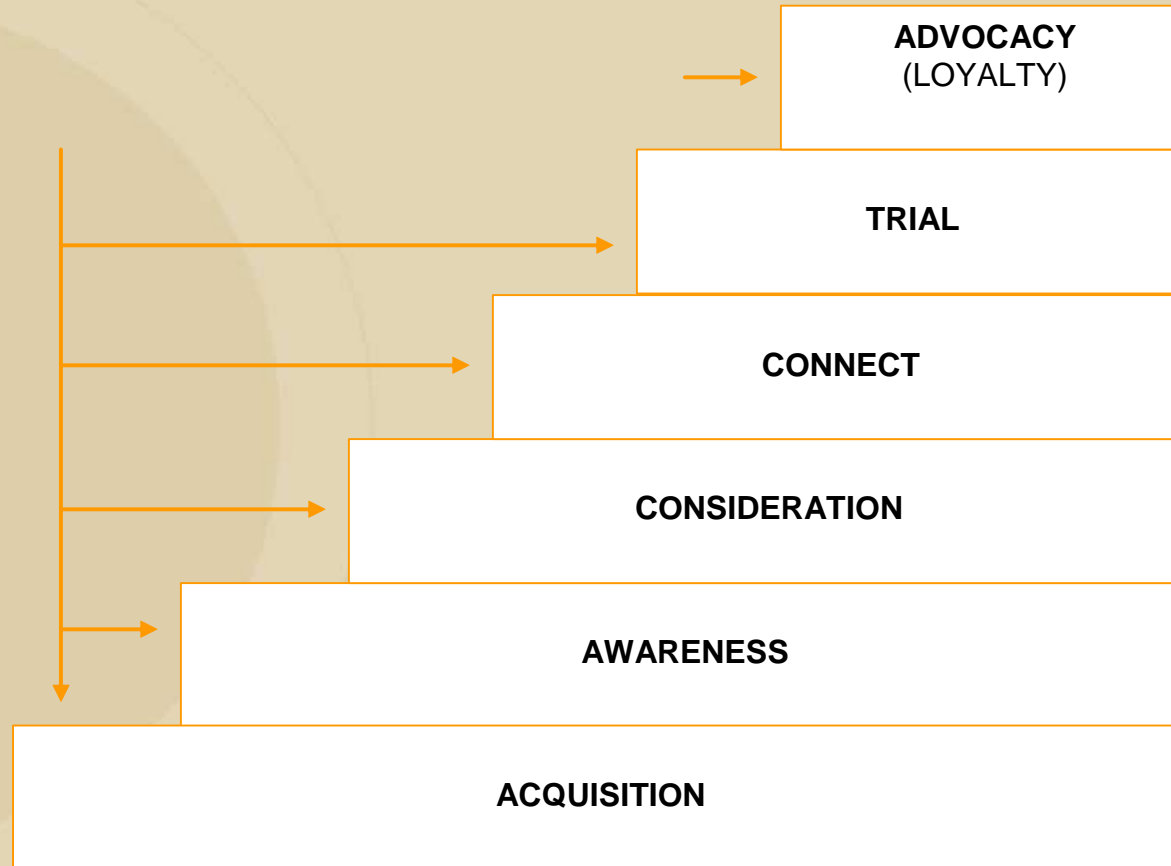
The Differentiator

STRONG BRAND AND COHESIVE CULTURE

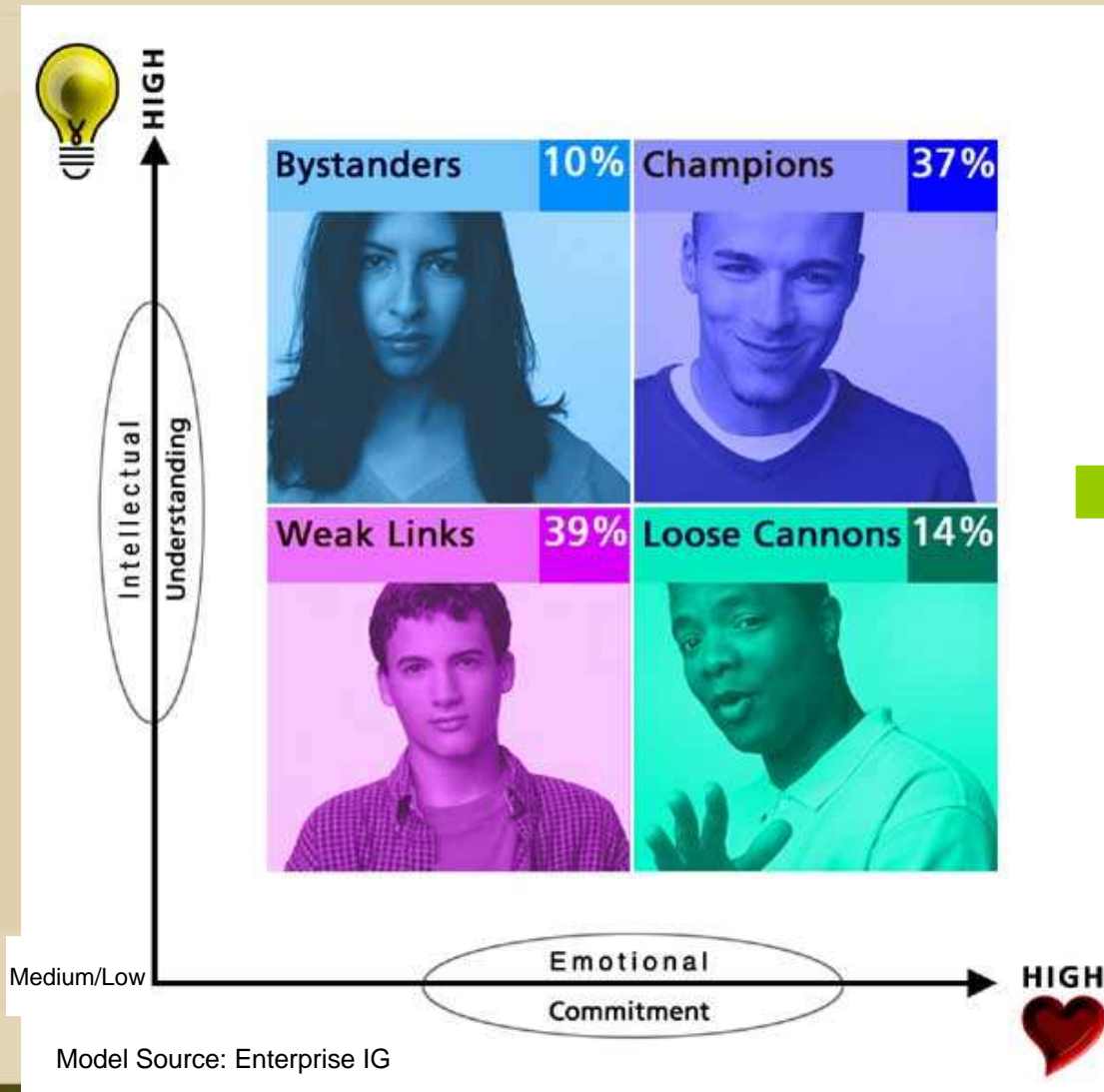


WIN WIN WIN

The Objectives



The Objectives



Brand Engagement both internally and externally!

A Quick Look at Brand

- A brand is created by all the elements in the marketing mix working together, consistently, to create a clear prejudice in its favour among its customers. A brand has a place in people's minds and in their hearts – staff and customers
- A brand relationship is built on trust, expectancy and consistency
- Brands that delight the external customer have internal staff (customers) who support and personify the brand
- Brand affinity is difficult to break ... which is exactly where we want staff to be in a meaningful, emotional and mutually satisfying relationship with the brand

WHAT'S YOUR INTERNAL BRAND STATUS?

Internalising Brand

- We want staff to live and project the brand
- Greater culture, harmony and stability through internalisation
- Educated, passionate and committed staff
- High performers with a common vision, focussed on achieving business objectives

A CUSTOMISED ERM PROGRAMME, DELIVERED VIA A
RELATIONAL DATABASE, “POSITIONED”, STRUCTURED,
MULTI-CHANNEL AND SEGMENTED...

BEST ACHIEVES INDIVIDUAL AND ORGANISATIONAL OBJECTIVES

ERM in a Nutshell

Human Capital

- Acquisition costs
- Training and development
- Pay
- Benefits
- Retention costs
- Labour relations costs
- HR systems costs

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Strategies for Optimising Returns

- Vision/Values/Culture
- Organisational strategies
- A distinct organisation value proposition
- Work scheduling & design
- People commitment
- Talent management
- Knowledge management
- Competency-based incentives
- Organisation design & structure
- Performance management

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Returns

- Productivity
- Quality
- Employee satisfaction
- Customer satisfaction
- Speed
- Financials
- Competitive advantage
- Wealth creation
- Shareholder returns

ERM in a Nutshell

UNITY, TRUST, DIALOGUE, PRODUCTIVITY, PROFITS



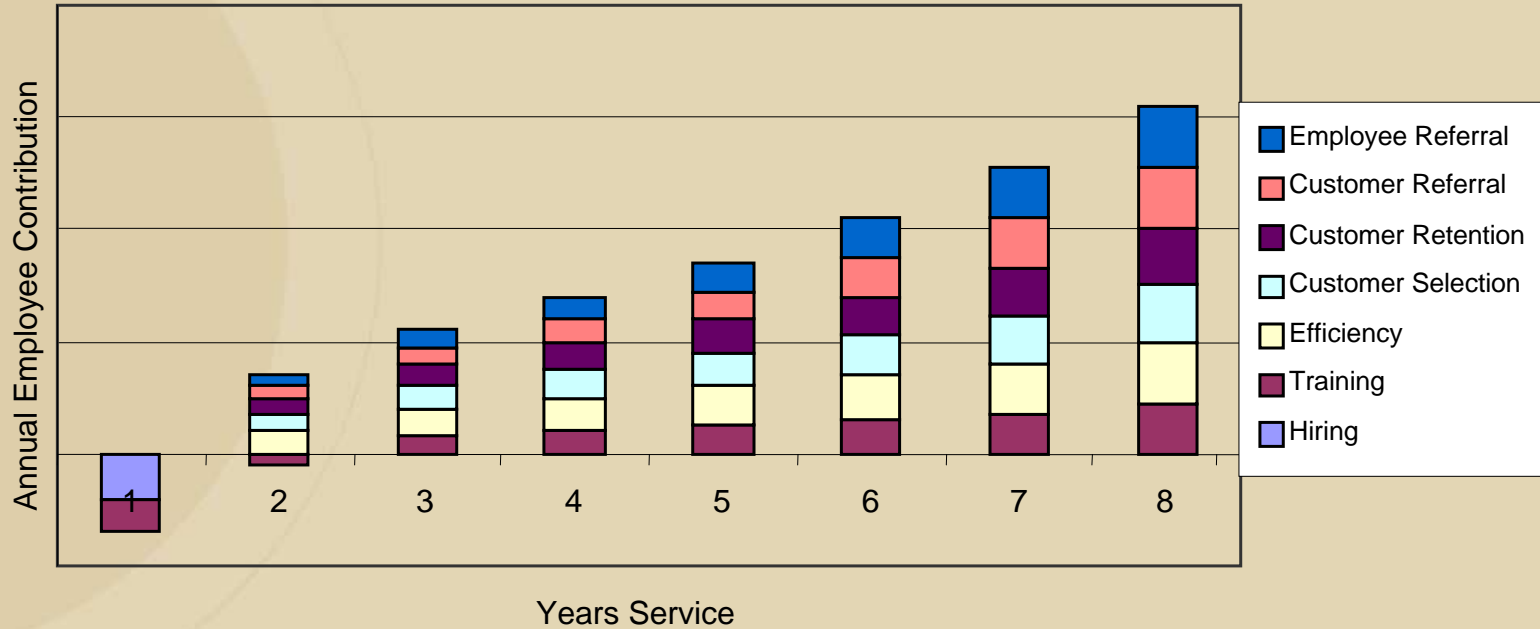
Stability and brand advocacy begins with human resources



ERM in a Nutshell

- How long term employees create value

Source : Reichheld



ERM Sets You Apart

- Employers of choice attract best quality
- An open platform to inculcate a culture of ownership and entrepreneurship
- Align with global trends - staff from technicians and product peddlars to solution providers
- From paperwork to people work
- Entitlement doesn't fit the new rule book - its about staff adding value through creativity and relationships
- ERM provides the platform

ERM Programme Types

- Minimal formal information available from a structure/methodology perspective
- Programmes should be architected to suit objectives
- Some are more reward and recognition orientated, others incorporate all HR components i.e. one holistic programme
- Certain programmes have many “soft” benefits, others more HR orientated aspects including remuneration strategies
- Programmes can run indefinitely or over a defined life span e.g. to suit a specific objective
- The ideal – that the programme moves away from being “a programme”, becomes integral to the organisation ... A way of doing business from the inside out

Programme Architecture

- The programme essence is the “fundamental”, the bedrock of the ERM programme that creates organisational, regional, branch and individual “shift”



In Summary ...

- The result of a well planned and executed ERM Programme: A sound, cohesive and ongoing drive for corporate excellence, by happy, motivated and knowledgeable staff
- *“You have to look at leadership through the eyes of the followers and you have to live the message. What I have learned is that people become motivated when you guide them to the source of their own power and when you make heroes out of employees who personify what you want to see in the organisation.”*

Annita Roddick, The Body Shop



Case Studies