

You've Gotta Have Heart: An Introduction to Employee Ambassadorship

Michael Lowenstein

JULY 2016



BEYOND PHILOSOPHY
Building Great Customer Experiences

How Emotions and Memory Drive Desired Employee Ambassadorial, Customer-Centric Attitudes and Behaviors

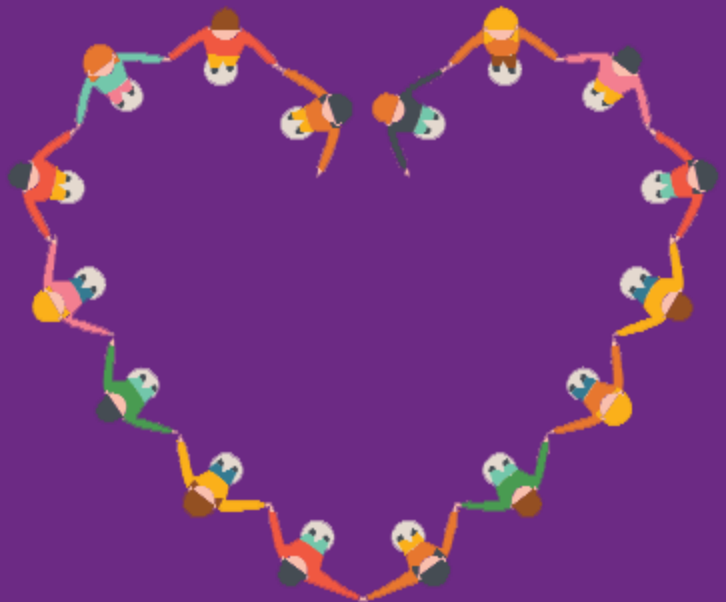
Positive, happy employees actively contribute to positive customer behavior (and negative employees contribute to negative customer behavior). As a general statement, this idea is both well-known and well-accepted. Engagement research has endeavored to identify key elements of employee 'fit', alignment and productivity with and for the enterprise; however, there is little proven intentional connection or integration between customer experience initiatives and desired employee behavior.

The real issue: How can organizations build on the foundation of employee satisfaction and engagement research to help drive enterprise customer-centricity and a higher level of employee ambassadorship?

We have developed a research and action model to help organizations understand and leverage how employee subconscious emotions and memory, plus commitment to the company, the value proposition, and the customer contribute to building and sustaining enterprise-wide cultural and operational customer-centric focus.

The Premise and The Promise

With apologies to Richard Adler and Jerry Ross, who wrote the song "You've Gotta Have Heart" for the Broadway show, *Damn Yankees*, over sixty years ago, employee heart, i.e. emotions and memories, is what actually drives their behavior. Level of employee satisfaction and engagement



contribute, of course, but optimizing customer experience initiatives requires that all employees understand, and be able to act on, their pivotal value delivery role as ambassadors.

How can companies keep a consistent customer focus and optimize business performance, which, after all, is the goal of customer centricity? Is it done with great products and product co-creation with customers? Is it through customer segmentation based on detailed profiling and interpretation? Or is it through outstanding service and original, effective marketing? Few would argue that all of these are important, of course; but, at the vast majority of companies, sales, service, and marketing functions and activities tend to be discrete. And, discrete, siloed execution equals sub-optimized results.

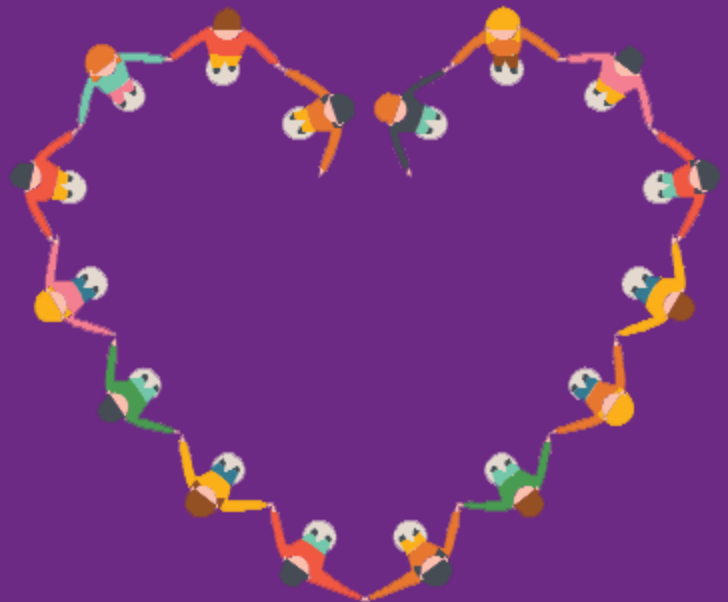
There are many ways to bring all of these individual, rarely conjoined functions and capabilities into unison, so that they are more effective on behalf of both the customer and the employee. Perhaps the simplest, and arguably the most sustainable and strategically differentiated, is to have employees directly, actively involved in making this happen. OK, this – what we call employee ambassadorship – is clearly a worthwhile goal, with two key and immediate questions:

- 1) How do you make this a reality, and
- 2) How do you measure the effectiveness of what you're doing?

We'll address the second question first, and then offer examples of what companies like Virgin, Honeywell, Ford, NCR, ING, and Hewlett-Packard are doing to create and sustain a culture of employee ambassadorship.

A culture of customer 'wow' begins with employee job satisfaction.....

The history of companies measuring employee job satisfaction, and endeavoring to link employee perceptions with customer behavior goes back almost 100 years. Organizational surveys began during the 1920's



and 1930's, a result of emphasis on industrial engineering and time-and-motion studies which began at the dawn of the 20th century. By the 1960's and 1970's, many companies were conducting employee attitude and satisfaction studies; and these studies were further refined during the 1980's and early 1990's, focused as much on achieving quality as on creating satisfied employees.

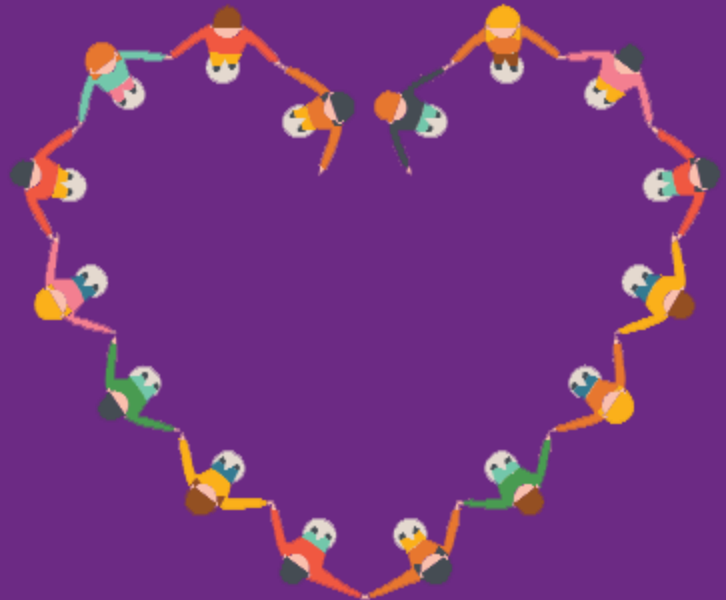
....is enhanced through employee alignment with the company's mission and brand promise....

In the mid-1990's, more progressive companies had moved on to employee engagement research. This was a significant step for human resources professionals. It was a recognition that companies needed to view employees not only as a resource but as partners in helping reach overall business goals. The principal intents of employee engagement, then, are to identify:

- what originally drew individuals to the company,
- what keeps them there,
- how productive they are against goals
- what they see as their role and how involved they are in it, and
- how aligned they are with the company's goals and culture.

Engagement seeks to quantify employee emotional and rational job satisfaction and motivation to think, feel, and act. This combination is extremely important for training, communication, staff management, and individual and group goal-setting.

A key drawback to engagement, however, is that it represents a mélange of loosely related concepts. In 2006, The Conference Board published "*Employee Engagement, A Review of Current Research and Its Implications*". According to this report, twelve major studies on employee engagement had been published over the prior four years by top research firms. Each of the studies used different definitions and, collectively, came up with 26 key drivers of engagement. For

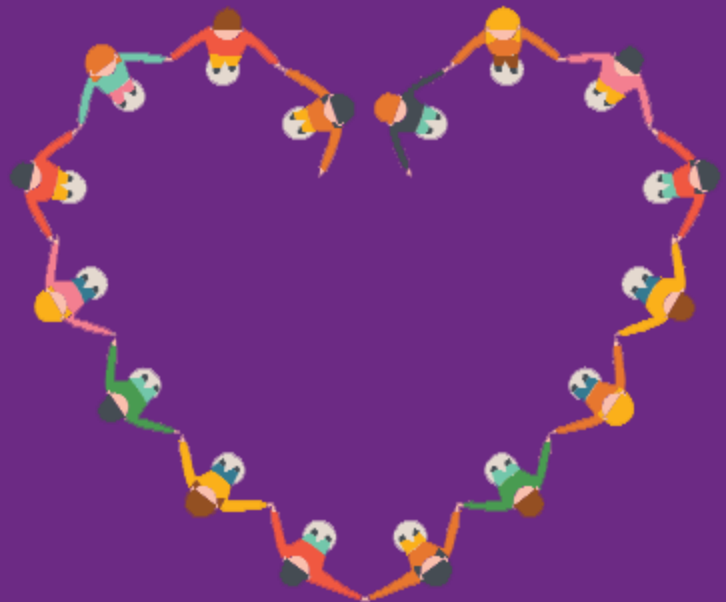


example, some studies emphasized the underlying cognitive issues, others on the underlying emotional issues.

The Conference Board looked across this compilation of data and constructed both a blended definition and key themes that crossed all of the studies. They identify employee engagement as “a heightened emotional connection that an employee feels for his or her organization, that influences him or her to exert greater discretionary effort to his or her work”. Many of the studies agreed on eight key drivers.

- Trust and integrity – how well managers communicate and ‘walk the talk’.
- Nature of the job – Is it mentally stimulating day-to-day?
- Line of sight between employee performance and company performance – Do employees understand how their work contributes to the company’s performance?
- Career growth opportunities – Are there future opportunities for growth?
- Pride about the company – How much self-esteem do the employees feel by being associated with their company?
- Coworkers/team members – significantly influence one’s level of engagement
- Employee development – Is the company making an effort to develop the employee’s skills?
- Relationship with one’s manager
- Does the employee value relationship(s) with manager(s)?

Brand engagement is an extension of employee engagement. Much of brand engagement is managed through the marketing structure, and it involves the communication of company values, and product and service benefits, to current and potential customers, and to other stakeholders. Some companies have recognized that, to deliver the brand promise externally, employees represent the biggest opportunity to arrive at that destination. Involving employees more directly in brand-building has definite advantages for HR, such as attracting and

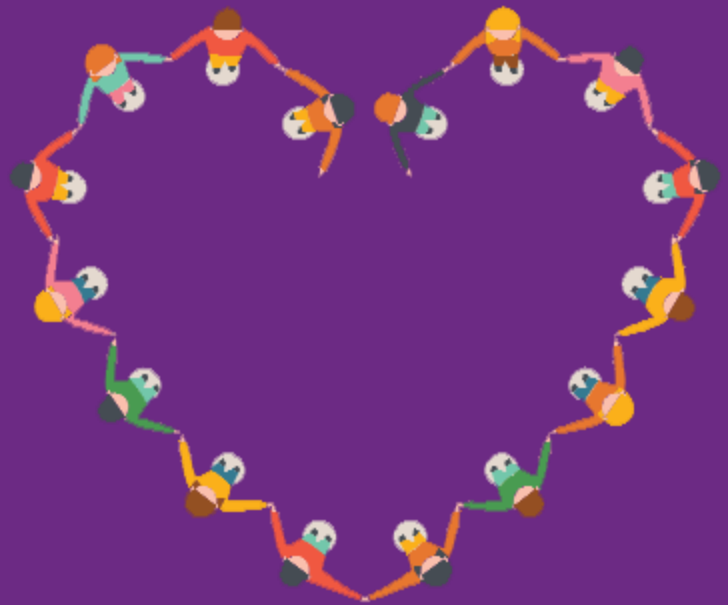


retaining good employees, and creating a stronger understanding of the company's mission and vision, which then combine to build a more cohesive and aligned work force.

Employees, whether they are customer facing or not, need to 'live' the brand and company value promise as company representatives. Concepts and programs such as employee engagement and brand engagement (through employees), though considerably more progressive than satisfaction, can be less than sufficient to help companies optimize the customer experience or sustain top-level customer value delivery. Employees may believe they are doing valuable things for their company and/or they may have positive feelings about their jobs.

In its basic thesis, engagement loosely parallels "The Service Profit Chain", a model developed by Heskett, Sasser, and Schlesinger in the '90's. The model is generally summarized as happy employees = happy customers = happy shareholders. In other words, at the core of engagement is the tacit belief that there is a direct relationship or linkage between higher employee satisfaction and customer experience, i.e. that there is a correlation between these concepts. And, as found by noted customer experience expert Frank Capek, though elevated levels of customer service, and also increased profitability, may result from enhanced employee engagement:

"...just because employee satisfaction and engagement are correlated with customer satisfaction doesn't mean that making employees happier will lead to better customer experience. This is one of those classic traps your college professors warned you about: confusing correlation with causation. I've observed that this flaw in logic has led many organizations to invest in trying to make their employees happier in the hope that those happier employees will turn around and deliver a better experience for customers. We've just seen too many companies where, at best,



more highly engaged employees simply deliver a sub-par experience more enthusiastically."

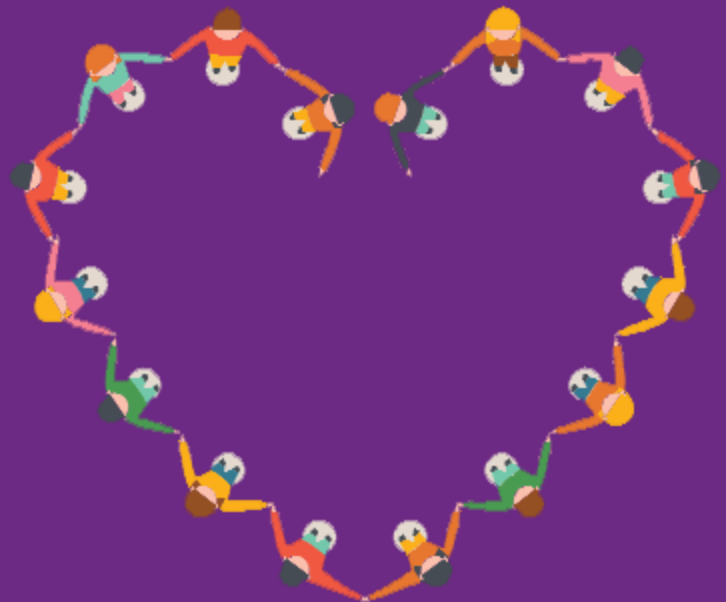
One of the shortfalls too often seen in engagement, particularly as this type of research applies to optimizing customer experience, is that, even if employees are trained in brand image, this does not mean they will deliver on the product or service value promise to customers or other stakeholders. Image needs to be integrated with building a culture of true customer focus. In other words, the external brand promise has to be experienced by customers every time they interact with the company.

....and culminates in ambassadorship, where employees 'live' the brand promise, for themselves and for the benefit and loyalty behavior of customers

There is a strong link between employee experience and customer experience. Can companies, through employee research, learn how to prioritize initiatives which will generate optimum staff commitment to the company, to the brand value promise, and to the customers?

If employee satisfaction and employee engagement aren't specifically designed to meet this critical objective, and only tangentially correlate with customer behavior, can a single technique provide the means to do that? The answer to both questions is: Yes, through employee ambassadorship research. Employee ambassadorship has been specifically designed to both build on employee satisfaction and engagement and bring the customer into the equation, linking employee attitudes and actions to customer loyalty behavior.

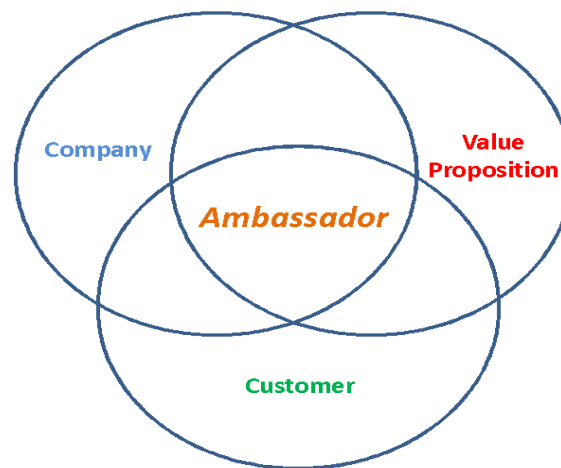
Employee ambassadorship, or employee brand ambassadorship, has direct connections to – yet is distinctive from – both employee satisfaction and employee engagement. As a research framework, its overarching objective is to identify the most active and positive (and inactive and negative) level of employee commitment to the company's



product and service value promise, to the company itself, and to optimizing the customer experience.

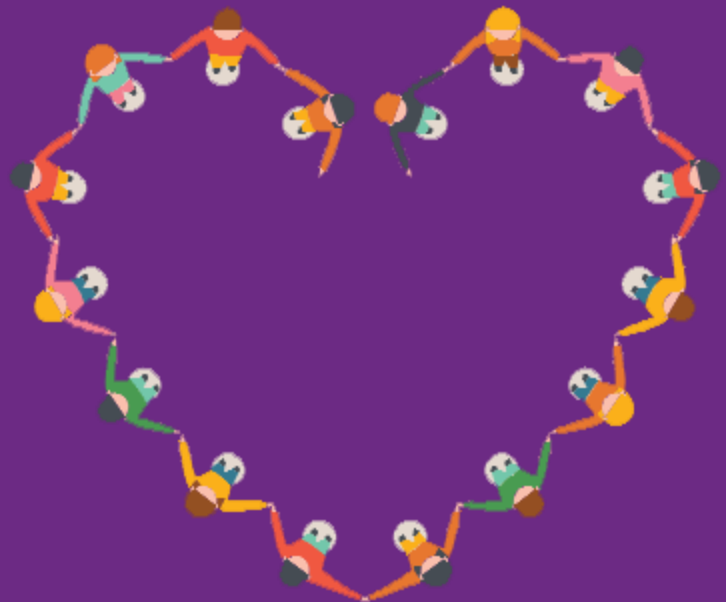
The ambassadorship thesis, with its component elements, can be displayed as follows:

Employees That Score High on Commitment to the Company, The Value Proposition, and the Customer Are Considered Ambassadors



6

- *Commitment to company* - Commitment to , and being positive about, the company (through personal satisfaction, fulfillment, and an expression of pride), and to being a contributing, loyal, and fully aligned, member of the culture
- *Commitment to value proposition* – Commitment to, and alignment with, the mission and goals of the company, as expressed through perceived

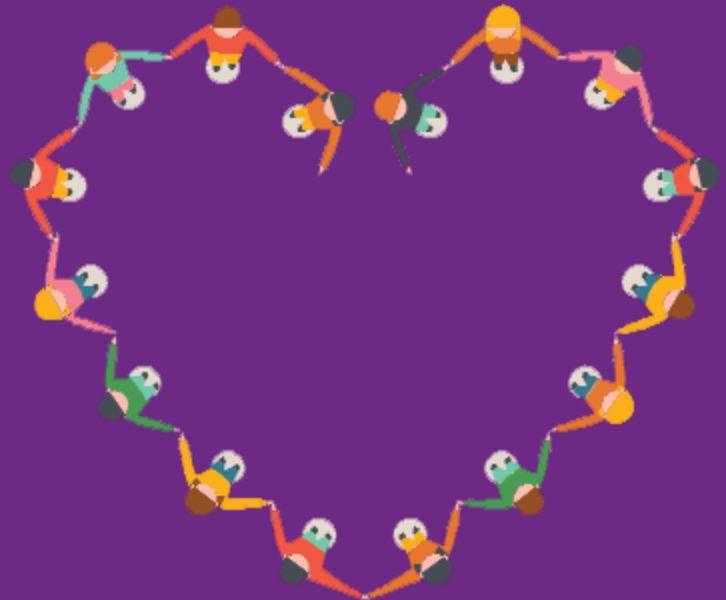


- excellence (benefits and solutions) provided by products and/or services.
- *Commitment to customers* – Commitment to understanding customer needs, and to performing in a manner which provides customers with optimal experiences and relationships, as well as delivering the highest level of product and/ or service value.

Ambassadorship is very definitely linked to the productivity and empowerment elements of employee satisfaction, engagement, and alignment research; however, it more closely parallels achievement of business results and value building for the entire organization because its emphasis is on strengthening customer bonds through direct and indirect employee interaction.

Note: Recognizing that some companies are still focused on alignment and engagement, and also that there are many ways in which it can be expressed through employee research, we define Employee Engagement as encompassing two of the three components of our definition of Ambassadorship. These are: *Commitment to Company and Commitment to Value Proposition* Operationally, these are addressed in surveys through the proprietary questions we use in Ambassadorship, looking at both overall value drivers and emotional drivers of behavior.

Examples of Employee Ambassadorship at Work as cited at the outset, a growing number of companies are actively creating and sustaining cultures of employee ambassadorship. Hewlett-Packard, for example, has a program called 'Demo Days'. All employees, those currently working for HP and also retired employees and irrespective of function or level within the organization, volunteer and are trained to spend days at local electronic retail stores, as brand ambassadors for the company, interacting with potential customers. HP does this several times a year, and it helps the organization build greater customer centricity into the culture.



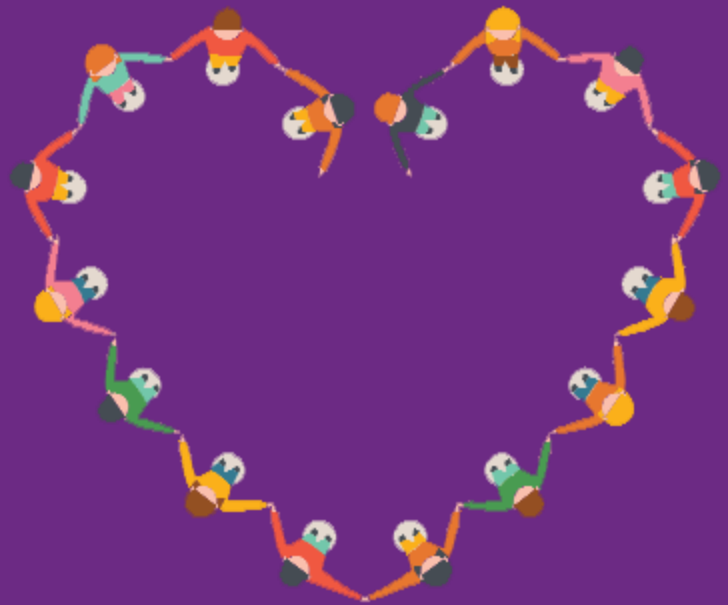
At Zappos, the highly successful online footwear and clothing retailer, there's a strong belief that 'your culture is your brand.'

During the hiring process, prospective employees, however talented and experienced, must fit into the culture. Following hiring, all employees – regardless of function or title – are trained in customer loyalty, service, company values and vision over a four-week period. Two of those weeks are spent on the phone taking calls from customers.

Zappos has defined its company culture in terms of 10 core values, the first of which is "Deliver WOW Through Service". As explained by CEO, Tony Hsieh:

"Every employee can affect your company's brand, not just the front line employees that are paid to talk to your customers. It can be a positive influence, or a negative influence. We decided a long time ago that we didn't want our brand to be just about shoes, or clothing, or even online retailing. We decided that we wanted to build our brand to be about the very best customer service and the very best customer experience. We believe that customer service shouldn't be just a department, it should be the entire company. Our belief is that if you get the culture right, most of the other stuff – like great customer service, or building a great long-term brand, or passionate employees and customers – will happen naturally on its own."

High-tech company NCR has created an ambassadorship program, which is open to all employees. Its objectives are to drive customer loyalty and advocacy, and enhanced company culture, for employees who are both customer facing and non-customer facing. Employees are recruited to be trained in customer interaction soft skills, NCR overall company and brand information. Ambassadors have enhanced access to company information, participate in a special reward and recognition program for 'above and beyond' contributions, and engage in public relations, marketing, and community events. Importantly, they also help build



credibility for the company's commitment to employees by reporting back on their experiences as ambassadors.

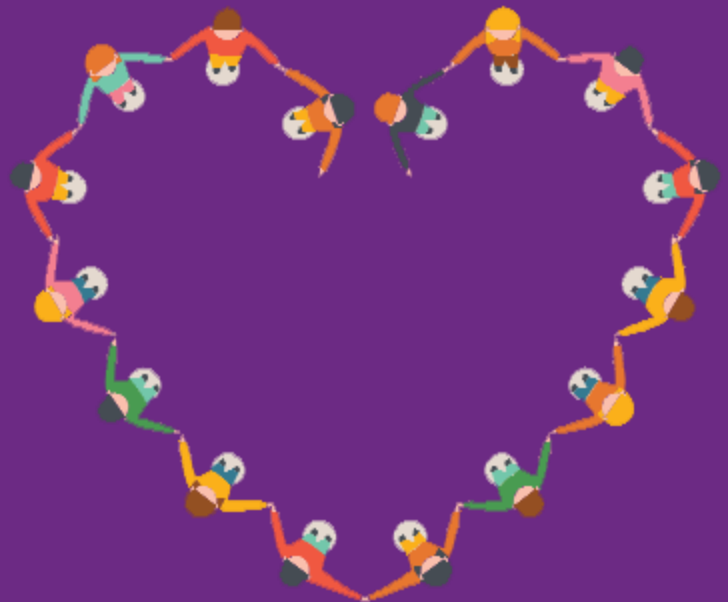
Summing up; What's the Value of Ambassadorship for the Company, the Customer and the Employee?

In August, 2004, Honeywell International, Inc.'s then-Chairman and CEO, David Cole, sent a message to the company's 120,000+ employees, in which he described their role in the company's program to build and protect their brands:

"Every Honeywell employee is a brand ambassador. With every customer contact and whenever we represent Honeywell, we have the opportunity either to strengthen the Honeywell name or to cause it to lose some of its luster and prestige. Generations of Honeywell employees have built our powerful brands with their hard work, spirit of innovation, passion for quality, and commitment to customers. I am counting on every Honeywell employee to continue that legacy."

Again, ambassadorship is most successful when employees are recognized and appreciated, and can participate in the benefit and value they provide to customers. Hal Rosenbluth, former CEO of the highly successful, multibillion dollar travel management company, Rosenbluth International (which is now part of American Express Travel Related Services), said in his book, *The Customer Comes Second*:

"We're talking about a change that puts the people in organizations above everything else. They are cared for, valued, empowered, and motivated to care for their clients. When a company puts its people first, the results are spectacular. Their people are inspired to provide a level of service that truly comes from the heart. It can't be faked. Companies are only fooling themselves when they believe that 'The Customer Comes First.' People do not inherently put the customer first, and they certainly



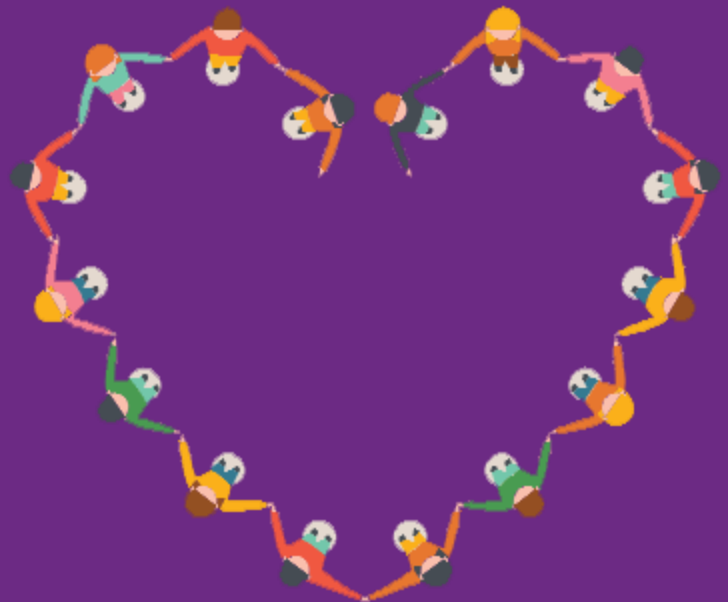
don't do it because their employer expects it. We're not saying choose your people over your customers. We're saying focus on your people because of your customers. That way, everybody wins."

Whether an organization is a major international corporation, or a small, embryonic start-up, these words represent the spirit of what employee ambassadorship can accomplish for a company. It begins when defining desirable employees to hire and extends throughout the employee life cycle. Stated simply, ambassadorship is employees living the promise of 'wow' customer value delivery, irrespective of whether they are interfacing with purchasers of the company's products and/or services, other colleagues, friends or family member. It is also the partnership, and shared destiny, between employees and their employer, and between the employee and the customer. When this is done well, all stakeholders win.

What Drives Customer-Related Employee Behavior? New Research Identifies Hidden Factors

Companies are fond of saying that employees are their most powerful resource, and in many ways – especially their influence on customer loyalty – that's been well proven. But, to understand what factors leverage employee behavior, most organizations have historically relied on satisfaction and engagement surveys, typically conducted through HR. However, there is little realization that these traditional research techniques are not remotely designed to identify the often hidden factors behind this behavior. This is particularly true when endeavoring to identify employees' level of commitment to the company, to its product and/or service value proposition, and to its customers.

We have recently completed pathfinding employee behavior



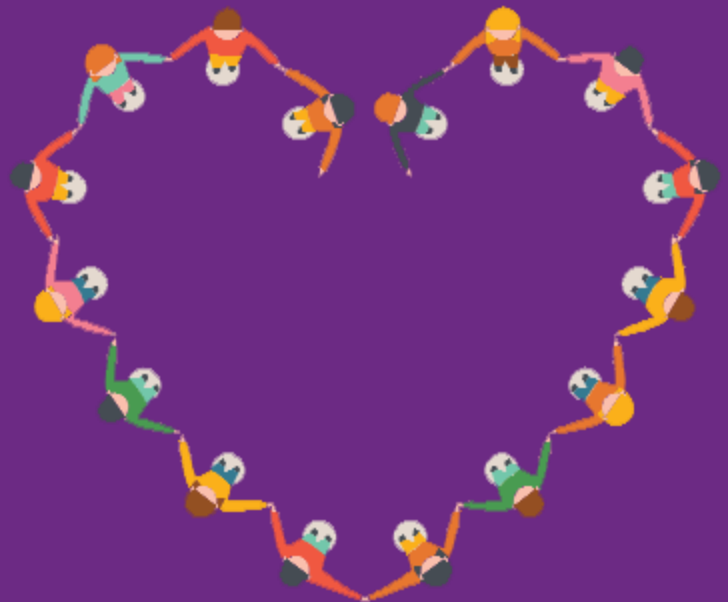
research for a major insurance company. Uniquely, the focus of this research was on emotional and subconscious drivers. After working with a cross-sectional team of client supervisors and managers, we jointly identified a total of nine employee attribute and touchpoint groupings, and a total of 40 individual elements.

Several factors made this research process particularly distinctive:

- Almost half of the attributes had to do with employee/ group customer focus and degree of business alignment, rarely if ever addressed in employee studies.
- We incorporated value indicators in the research, i.e. drivers of employee satisfaction and engagement, which are usually seen, and drivers of employee commitment/ ambassadorship, which are almost never addressed.
- The protocol also included components that looked at the emotional (and usually unexplored) responses of employees, i.e. how they feel, such as the level of trust, stress, frustration, etc.

Our method yields many useful and actionable insights, including effect, the value outcomes which the organization produces from employee behavior. Again, this is very different than what can be learned from employee satisfaction and employee engagement research.

From the research for our insurance client, there were a number of powerful results, many of which they had never seen from HR-led employee studies. For example, while there were positive results in the categories of business alignment and customer focus, this was counterbalanced by challenges in areas of advancement (career opportunity, salary, responsiveness to employee needs, etc.) and bonding (use of feedback for improvement, involvement in decisions that affect the employee's work, etc.).



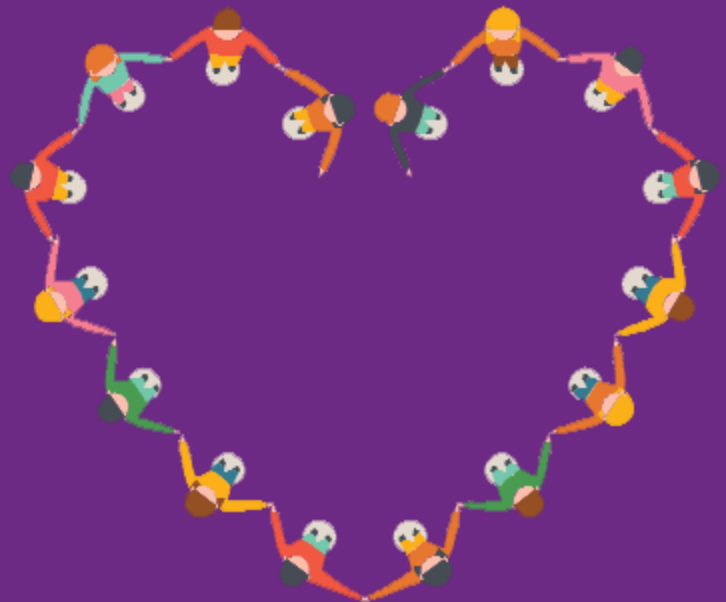
Further, when our emotional profile was layered onto the results, employees' feelings of frustration and stress (especially among those more tenured) had the potential of seriously impairing both employee behavior and customer experience. Also, longer-tenured employees showed lower positive emotional ratings, often at a significant level when compared to newer employees.

Our assessment of what enhanced and inhibited employee value delivery, on both a conscious and subconscious level, showed that it was clearly the subconscious aspects of employee experience that drove most organizational value. Again, supported by responses from HR management when results were presented, our findings produced results quite unlike their prior research that had been built around a satisfaction or engagement approach:

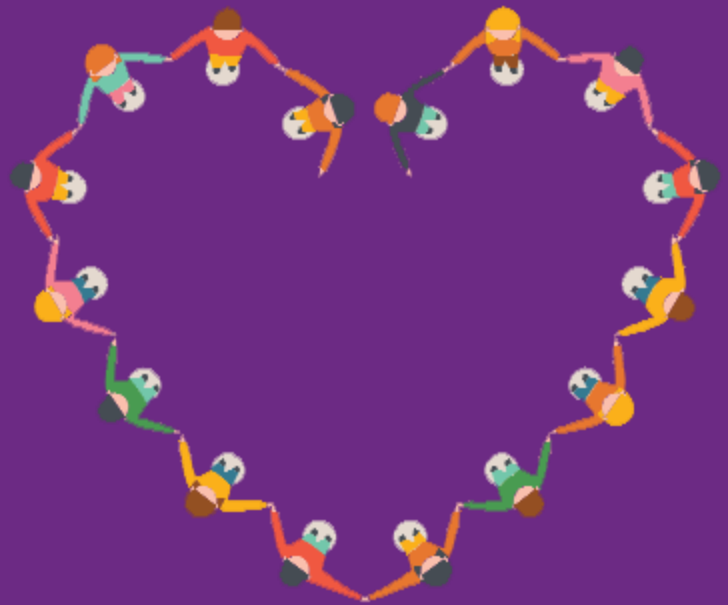
- Because of team work and shared information issues, degree of enterprise customer-centricity was called into question
- Tenure emerged as a pivotal employee issue
- Customer focus and business alignment are very important in understanding employee value and must be added to future employee surveys
- Challenges in advancement and bonding must be addressed

TQ guru W. Edwards Deming always counseled organizations that all employees have one of two jobs within the enterprise: They either directly support the customer or

support someone who does. This is the essence of employee ambassadorship. Though a great deal of earlier-generation employee ambassadorship research has been conducted over the past decade, application of the emotionally-based protocol for this purpose was a very positive and productive learning experience, a foundation for further development. As noted above, there were valuable and prioritized insights for our client, the service component of the



insurance company, to leverage going forward, and significant implications for the broader organization as well.



Additional Resources

You may be interested in reading some of our other blogs and webinars on this subject:

The Mistake Most Organizations Make With Employee Engagement

Employee Engagement & ROI: Are Your Employees Happy And Motivated

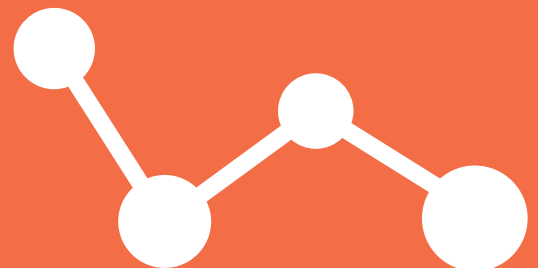
Creating Award Winning Employee Engagement: A Case Study

U.S Employee Engagement Reaches Three Year High.

Webinar: Omnichannel Customer Engagement

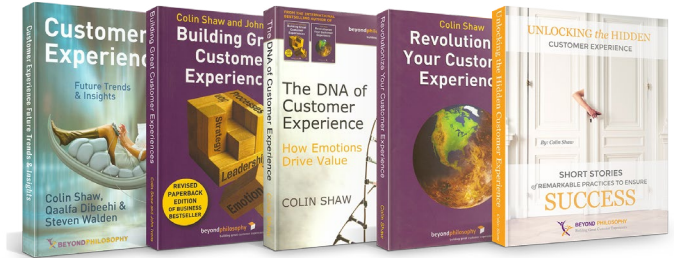
Webinar: Employee Engagement & Ambassadorship: Optimizing Their Impact On The Customer Experience

EE Course: Linking Employee Satisfaction, Employee Engagement & Employee Ambassadorship



About Beyond Philosophy

Beyond Philosophy are literally the world's first dedicated Customer Experience company. Founded in 2002 by our CEO, Colin Shaw, we have built an excellent reputation of being Thought Leaders in Customer Experience.



This is not what we say, it's what other say. We are proud that Colin Shaw our CEO, has been recognized by LinkedIn as being one of the world's top 150 Business Influencers and by Brand Quarterly as one of the 'Top 50 Marketing Thought leaders over 50' and written 5 books on Customer Experience.

Beyond Philosophy help organizations move to the next level of the customer experience . There are many case studies that highlight our work. One of our clients Maersk Line, improved their net promoter score by 40 points in 30 months and then had a 10% rise in shipping volumes as a result of our work.

Beyond Philosophy provide three services.

Consultancy services – both strategic and tactical so we can help guide you to improve your customer experience.

Training services – we can train your CX team on how to improve your customer experience as well as your front line team with our memory maker training.

Specialized research services – we provide some innovative research techniques that discover what drives and destroys value for your organization.

If you'd like further information please contact Beyond Philosophy LLC on our website Beyondphilosophy.com.

Follow Beyond Philosophy:



@Colinshaw_CX | @BeyondP



LinkedIn - Colin Shaw



Periscope - @colinshaw_CX



Facebook - Beyond Philosophy

Beyond Philosophy LLC, USA.

550 North Reo Street Suite 300

Tampa, Florida. 33609

Toll Free: +1 (866) 649-6556

Outside USA: +1 (813) 936-4000

Beyond Philosophy Europe.

London, UK: + 44 (0) 207 993 8459

©Beyond Philosophy LLC 2001-2016. All rights reserved.

