

Keeping Your Brand Alive Internally When Things Go Wrong

Re-branding at the beginnings of an economic downturn is nothing new. As concerns over an unstable economy grow, companies often feel compelled to reinvent themselves and build new interest in the hopes of generating revenue. They also turn to employees to get out the message. This is particularly true of internal projects meant to garner greater productivity, commitment and support from employees as a company deals with the ramifications of declining profits, lay offs, and employee ambivalence that matches or exceeds that of the general public. It is frequently something of a catch 22 scenario, where employees are losing or have lost faith in a company and its leaders, even as the *need* for them to embrace a brand, to truly live it, is at a high point. But, there are strategies to mitigate dismissal by the employees of an internal branding or a re-branding project during economic uncertainty and looming lay offs. Without embracing these strategies, these projects will ultimately lead to failure, no matter how creative it may be.

When preparing for a re-branding or internal brand awareness project, it is imperative that a company wait at least until after any lay offs have occurred. The reason is that when groups are under significant stress brought on by unstable conditions, they cease to believe the powers in charge. Any attempt at putting a smiling face on the situation results not just in simple dismissal by the employees of the project, but often times it leads to flat out hostility toward the institution, its leaders, and those launching the effort, regardless of the organizational structure, be it a not for profit, a privately held company, or a massive corporation.

In the social sciences, this phenomenon has been documented repeatedly from early social theorists to anthropologists and organizational psychologists working inside business today (Armbrüster 2006, Baba 1986, Baba 2005, Foucault 1988, Weber 1997). On the business side, this position has been discussed directly and indirectly by Paul Falcone, Linda Trevino, Rodd Wagner, and a host of others. The process is easily summarized as this:

- **Launch BEFORE layoffs and reorganization, you will simply get little buy in from employees, no matter what you want to believe.**
- **Launch AFTER the layoffs and reorganization, even if only by a single day, and you can still get a successful response to the effort.**

This is also not simple speculation. I, like many colleagues, have lived through it. Based on these experiences, I began work a couple of years ago comparing practices at Scient Corp (no longer in existence) vs. Thomson Multimedia (RCA) and how those of us who survived reacted. Scient did things right, including re-branding immediately after lay offs, and loyalty increased dramatically, as did participation and dedication to reviving the company. Sadly, the company ultimately failed, but during the implosion of the economy in 2000, this little pocket of the San Francisco technology gold rush continued to fight tooth and nail to live the brand. Indeed, it resulted in an online community that still flourishes years after the company's demise.

In contrast, Thomson did it wrong and productivity dropped. Employees became openly hostile and the company received a slew of bad press. Thomson's process was to ignore that fact that rumors abounded, profits were in decline and morale was abysmal. Messages appeared unbelievable, management seemed indifferent to employee needs, and no sense of unity existed. Thomson still exists and being a giant will continue to do so, but, at least for those working in North America and Mexico, the brand was dead long before they lost their jobs and RCA/Thomson became a non-player.

So what does this mean in for a company preparing to build brand awareness and excitement even as it struggles with its bottom line? Quite simply, to maximize the number of people embracing the internal branding or general re-branding effort, it should be done as an immediate follow up to the lay offs, not before. Cold as it may sound at first, a company needs to use layoffs and poor performance to its advantage if it hopes to turn the company around. How?

Realistically, it can be done through maximizing the sense of fear, but it is highly unlikely anyone is willing to go down that road so I won't bother discussing it (Machiavelli would surely be displeased by not addressing it, but most decision makers would rather not be associated with such cynical tactics). But this inspires neither long-term commitment by employees, nor does it turn them into brand ambassadors. In other words, it is not a long-term solution. Therefore, the process needs to do the following if we want to take a gentler, kinder, and ultimately successful path.

1 | Deal with financial realities

As uncomfortable as transparent, open communication may be, leaders, particularly those at the upper-most levels, must relay information about the company's financial position and forecast to the survivors, establishing priorities and expectations for future decision making. Employees must be made to feel that they are part of a team, not expendable parties. They must feel that the success of the company rests partly in their hands, that they have a stake in the game. Doing this creates a belief that if everyone comes together and everyone knows the situation, it won't happen again. And if it does happen again, it isn't the company at fault, it is everyone. Yes, this actually works. Human beings have a remarkable capacity for embracing challenges. We also have a remarkable capacity for getting involved when we believe we actually have something to lose beyond monetary gain. Couching in terms that bring the financial realities to life draws employees in and helps develop intense loyalty even if things look gloomy. Strange as it sounds, it is rather similar to what happens in times of war.

2 | Communicate with the remaining staff

Remaining employees may feel that they will be next to lose their jobs. Whether they believe it is a month away or two years away, the fear becomes ever-present. The result is abandonment of commitment to the company and lowered productivity. Additionally, some will feel guilty (sometimes angry) when colleagues have lost their jobs. They will also view any attempt to get them excited about the company as being based on lies and deception. Be honest about what you know and what you can share – include it as part of the branding effort. This not only minimizes concern relating to employees' own job security but also diminishes the power of the rumor mill.

3 | Reposition the effort as the beginning of better days to come

Understand that people have lost friends and will no doubt have their own anxieties about the future. Get people refocused quickly on any brand message, internal restructuring, job/function changes and any other changes underway, or looming on the horizon. Focus on the positives by acknowledging what has just happened – that it was necessary evil, but the new branding effort is an extension of brighter days ahead. The key is that the problems that have existed, and in the eyes of those being hit they are problems to say the least, cannot be overlooked. Acknowledging these means acknowledging the humanity, involvement, and importance of the employees. It also makes the idea of better days ahead significantly more realistic and believable.

4 | Make sure it is a bottom-up approach

No matter how good a job management does in making employees feel heard and included, they're still suspect because it is they who pulled the trigger. No one cares if they support it (Unless, of course, we want to revisit that fear thing I mentioned earlier). While a CEO or chairman may be believable, management as an institution is suspect – you may have a good manager, but all the rest are bad. What matters is that the people who have a stake in the company on a day to day, put-bread-on-my-table kind of way are supportive.

5 | Remember that logic and reason may take a back seat

The bulk of employees understand and can articulate the ramifications of lost revenue and brand disintegration, but that hardly eases the tension. There is a tipping point at which reason and logic take a back seat as worry, fear, and cynicism assert themselves. This means that any brand initiative needs to account for this heightened sense of emotional distress and recognize that employees will not be thinking about the well-being of the corporation if they do not see it tied to themselves on a very personal level. Making a financial case is irrelevant when people are in survival mode. Consequently, while being transparent about the economic realities of the business is essential to a successful campaign, it is equally important to acknowledge emotional distress and react to it openly and honestly.

When all is said and done, the simple truth is that an internal brand awareness or re-branding campaign effort will ultimately get only lip service if launched prior to lay offs. It will resonate as simply one more lie meant to trick employees into producing more while getting nothing in return. And it will be a failure. Relying on a few simple truths of human behavior can make all the difference.

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