Employee Branding at a pharmaceutical company

Bachelor Thesis in Business Administration
Authors: Niclas Månsson
         Erik Thorsén
         Mikael Törnvist
Tutor: Jean-Charles Languilaire
Jönköping JUNE 2010
Acknowledgement

We would like to thank all participants at Company X for their involvement and especially express our gratitude to the CEO for his support.

We also thank the three members of the top management at Company X for participating in the interviews and the CEO assistant at Company X for her help regarding the administration.

We are also very grateful for the engagement and constructive feedback from our supervisor Jean – Charles Languilaire at Jönköping International Business School.

Niclas Månsson      Erik Thorsén      Mikael Törnvist
Abstract

This bachelor thesis in business administration investigates the employee branding process of Company X in order to gain an understanding of how the company works with and can utilize this as an efficient tool. Recent research shows that Swedish companies that focus on building their brands are more profitable than companies that do not. Furthermore, research show that relationship building is an increasingly important area of marketing, which means that employees have a key role in creating a brand through the relationships they build. As Company X to some extent relies on relationship building in a multi-stakeholder environment, where pharmaceutical companies traditionally have competed through innovation, employee branding could be used as a competitive advantage for Company X.

The process of employee branding is used to align employee’s internal view of the company brand with the desired brand image in order to make the employees project it consistently. According to the theories used, the key drivers to successful employee branding are, through consistent communication, (1) ascertaining employee knowledge of the desired brand image and (2) making sure employees want to project this image through an upheld psychological contract. This investigation therefore covers how Company X works with the process of employee branding, how employees perceive what the management wants to communicate and any potential discrepancies between management and employee views.

From a qualitative and interpretative approach, four interviews have been conducted with the top management at Company X and a survey has then been distributed to employees with customer contact at the company.

The findings show that Company X has successfully implemented its values in the minds of employees, but lacks a clear focus on building its brand. Therefore, while the psychological contract in general is found to be upheld, to a high extent, the knowledge of the desired brand image does not seem to be at a satisfactory level.
# Table of Contents

1 **Introduction** ........................................................................................................ 1
   1.1 Marketing ........................................................................................................... 1
   1.2 Branding and Employee Branding .................................................................... 1
   1.3 Employee Branding at Company X – Problem Statement ................................. 2
   1.4 Purpose .............................................................................................................. 3
   1.5 Research Questions ............................................................................................ 3
   1.6 Target Audience of Thesis ............................................................................... 4
   1.7 Delimitations ..................................................................................................... 4
   1.8 Outline ............................................................................................................... 4

2 **Theory** .................................................................................................................. 6
   2.1 Branding ............................................................................................................. 6
   2.2 Employee Branding ............................................................................................ 7
   2.3 Employee Branding Process – Model ............................................................... 7
     2.3.1 Mission and Values ...................................................................................... 8
     2.3.2 Desired Brand Image .................................................................................. 9
     2.3.3 Sources/ Modes of Messages ................................................................... 9
     2.3.4 Employee’s Psyche ................................................................................... 11
     2.3.5 Employee Brand Image ............................................................................. 12
     2.3.6 Feedback Loop ......................................................................................... 12
     2.3.7 Outcomes .................................................................................................. 12

3 **Method** ................................................................................................................ 13
   3.1 Research approach and introduction to chosen method ................................. 13
   3.2 Research type .................................................................................................... 14
   3.3 Data collection .................................................................................................. 14
     3.3.1 Secondary data collection ...................................................................... 14
     3.3.2 Primary qualitative data collection ............................................................ 15
     3.3.3 Primary Quantitative data collection ......................................................... 18
   3.4 Validity and Trustworthiness of Chosen Method ............................................. 23
   3.5 Analysis of Empirical Material ...................................................................... 24

4 **Empirical Data** .................................................................................................... 26
   4.1 Management’s View - Primary Qualitative Data ............................................. 26
     4.1.1 Mission and Values ................................................................................... 26
     4.1.2 Sources/ Modes of Messages ................................................................. 28
     4.1.3 Employee Psyche - Psychological Contract and Knowledge of Desired
         Brand Image ................................................................................................. 34
     4.1.4 Feedback loop ......................................................................................... 35
   4.2 Employee perceptions - Primary Quantitative Data ......................................... 35
     4.2.1 Mission and Values ................................................................................... 35
     4.2.2 Desired Brand Image ............................................................................. 37
     4.2.3 Sources/ Modes of Messages ................................................................. 37
     4.2.4 Employee Psyche ..................................................................................... 40
1 Introduction

This chapter will introduce the reader to the subject of employee branding and present a problem statement in the context of the pharmaceutical company Company X. The introduction is then narrowed down to the purpose of the thesis and the research questions constructed to answer the purpose.

1.1 Marketing

In the article *On defining marketing: finding a new roadmap for marketing*, Grönroos (2006) argues that marketing as a concept has changed in the past 25 years. The core of marketing is still consumer goods oriented but new marketing concepts have emerged that are more relationship focused (Grönroos, 2006). He further compares these different marketing concepts and claims that the central part of traditional consumer-good marketing is the exchange of goods and services whereas the new concepts also have interaction as a central part (Grönroos, 2006). The reason Grönroos (2006) gives for this change in centrality comes from the fact that the exchange of products or services are maintained by interactions between producers and customers instead of merely the exchange itself. This new expanded view of marketing enables us to gain better understanding and better tools in order to adapt marketing management to different companies and industries.

Moreover, the traditional marketing approach, in terms of how companies communicate their offerings to customers, has been researched and questioned. Drenik, Pilotta, Rist and Schultz (2004) state that consumers are permanently exposed to multiple media messages, which undermine most traditional marketing approaches where the consumer is supposed to focus on an isolated media source.

In regards to the aforementioned changes and shifts in focus, regarding marketing management and media, we can clearly see the need for other ways of reaching and retaining customers. Aaker (1996) claims that one way for companies to make themselves heard in the mass exposure of messages is by creating a recognizable and stable brand. A brand can break through the media clutter and make the highly desired connection with the customer. The brand functions as a promise and creates trust in the brand – customer relationship (Aaker, 1996).

1.2 Branding and Employee Branding

The results from the research project Brand Orientation Index (Gromark & Melin, no year) show findings of a positive correlation between a focus on branding and a high operating margin for Swedish companies. In their study they measure the importance of branding for financial results, which state that the companies in the study with the most focus on branding had an operating margin twice as large as the companies with the least focus. The results from the study also show a branding importance for both business-to-business and business-to-consumer companies.
As stated, Grönroos (2003) claims that marketing perspectives have changed towards a stronger focus on relationship building. This is due to the fact that markets are increasingly saturated and customers are more sophisticated and knowledgeable than ever, through a larger supply of information (Grönroos, 2003). When the relationships employees build with customers are ever more important, the behavior of the employees has a tremendous impact on the success of a company. The employees determine the level of quality in the service provided and have the key to build long-term relationships with the customers (Grönroos, 2003).

As the employees have the possibility to influence the external brand positively, Miles and Mangold (2007) consequently argue that they can also tarnish the brand image. The actions of employees can therefore easily create negative PR, word-of-mouth or an internal organizational nightmare. The formal external marketing has to be aligned with what is communicated by the employees to outside stakeholders. Therefore, the desired brand image has to be communicated both externally and internally in order to maintain a unified brand image (Miles & Mangold, 2004). Further, as argued by Aurand, Bishop and Gorchels (2005), companies that spend money on marketing will face tremendous challenges if they are not able to deliver on the promises made. In order for the company to deliver on the promises made, the organization and its employees have to project a brand image towards stakeholders that is in line with the external communication. The internal communication is thus of great importance when creating an external sustainable brand image that is a great source of competitive advantage.

The process of managing the internal communication is called employee branding and is described by Edwards (2005) as focused on assuring that current employees act in accordance with current brand values in order for customers to perceive consistency in the brand experience, when in contact with different parts of the organization. Miles and Mangold somewhat recently defined the concept of employee branding in 2004 (p.68) as “the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents”. They argue that by using this tool efficiently, organizations will experience improvements externally as well as within the organization.

For the purpose if this thesis, employee branding will be investigated in the context of Company X.

1.3 Employee Branding at Company X – Problem Statement

Company X is an affiliate of Company X Global, which is an international company with over 65,000 employees worldwide, of which about 170 are located in Sweden and most of them at the head office in Stockholm (Company X Global webpage, no date). The main business areas in Sweden are pharmaceuticals, medical products and diagnostics. The employees in Sweden mostly consist of researchers, administrative personnel and sales personnel (Company X Swedish homepage, no date).

Company X has traditionally been working in functional teams in which the various functions were divided. However, Company X is now about to change into a more matrix organizational structure where the company will be working in brand teams that focus on specific products and manage the entire sales process as well as contact with stakeholders regarding their specific product brand (Interviewee 3, personal communication).
cation, 2010-04-09). Company X has a reputation for being a good employer and was recently elected fifth best employer of medium sized companies in Sweden and the best pharmaceutical company by the Great Place to Work® Institute. Hence, Company X does have a focus on employees that is more efficient compared to other companies within the pharmaceutical industry. However, this alone does not necessarily mean that its employee branding process is efficient as well.

Companies within the pharmaceutical industry have historically used brands as a marketing tool to a very little extent compared to companies in other industries (Blackett & Robins, 2001). Blackett and Robins (2001) further state that branding is used by several industries in order to gain competitive advantages, whereas pharmaceutical companies largely depend on innovation to differentiate themselves from competitors. While innovation still remains the key area of differentiation, building and maintaining a strong brand can further help improve company performance (Blackett & Robins, 2001). Urde (1994) claims in Brand orientation - A strategy for survival, which is based on a case study of a pharmaceutical company, that management with an ability to exploit the potential of a brand can create long-term competitive advantage. Hence, if Company X is able to successfully combine a focus on innovation together with creating and maintaining a strong brand, it will be able to increase company performance. Company X might also be able to create a long-term competitive advantage if the brand is fully exploited.

The sales process within the Swedish health care industry is different from many other industries where there is a clear sender and receiver. Pharmaceutical companies must address and exceed expectations of various stakeholders such as doctors, medical personnel, patient associations, politicians, etc in their sales processes (Interviewee 2, personal communication, 2010-04-07).

When asking Interviewee 1 (personal, communication, 2010-04-07) at Company X, he states that he does not even want to refer to the sales process as sales, but instead a process of creating projects and solutions together with customers. The relationships employees build with customers during the creation and execution of these projects are therefore important to Company X, since it is the employees who are able to tarnish or positively influence the brand image (Miles & Mangold, 2007). Many of the employees within Company X have some kind of customer contact in their daily work (Interviewee 2, personal communication, 2010-04-07) and projecting a unified brand image towards stakeholders is therefore important.

### 1.4 Purpose

The thesis will investigate the employee branding process of Company X in order to gain an understanding of how the company works with and can utilize this as an efficient tool.

### 1.5 Research Questions

To be able to answer the purpose in a systematic manner, three research questions have been formulated:
Q 1 - How does the management work with the employee branding process?
Q 2 - How do employees perceive the employee branding process?
Q 3 - What are the discrepancies between what the management wants to communicate and how the employees perceive this process?

1.6 **Target Audience of Thesis**

The target group that might have an interest in our findings in this bachelor thesis could be quite broad. In the academic world, we believe that it further adds experience to the field of employee branding. There has not, to the best of our knowledge, been done any research on employee branding in a Swedish context, let alone the Swedish pharmaceutical industry. Therefore, the target group includes both researchers and students who are looking for insights in employee branding. Furthermore, Company X does of course also have a primary interest in our findings, but we also believe that the business world in general could have an interest in this; especially in businesses where employees can have a large impact on the organizations’ desired brand images.

1.7 **Delimitations**

The thesis does not investigate the impact a well-managed employee branding process might have. It further does not deal with the potential drawbacks a non-existing employee branding process might have or what the benefits of a successful employee branding process might be.

1.8 **Outline**

The study consists of six chapters, which in this section will briefly be explained. The first chapter begins with an introduction to the area of marketing, branding and employee branding. This is followed by a presentation of the purpose and the research questions that have been constructed to fulfill the purpose. Chapter 2 describes the theories used to answer the research questions and is followed by the third chapter, which describes the research approach and the method of collecting data. In chapter 4 the empirical data collected is presented and followed by chapter 5 where an analysis of the data is performed. This leads to the conclusion in chapter 6, together with implications for Company X and ended with a discussion and reflection of the findings as well as suggestions for further studies. The outline is displayed in figure 1.1.

![Figure 1.1: Outline of Thesis](image-url)
2 Theory

The purpose of this chapter is to present a theoretical framework connected to the purpose and research questions. The chapter begins with clarifying different concepts within the area of branding and continues with a deeper explanation of employee branding. Thereafter, the model used to analyze the employee branding process is presented and explained thoroughly.

2.1 Branding

Keller (2001) states that the building of strong brands has been increasingly important for many organizations and has been shown to provide financial rewards. Backhaus and Ticoo (2004) claim that the brand is one of the most important assets to firms and that brand management therefore is a key activity to many firms.

A brand is defined by Armstrong, Kotler, Saunders and Wong in Principles of Marketing (2005 p. 906) as “a name, term, sign symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors”. When applying a brand to a product it is called branding. The branding process is an essential aspect of strategic management since it provides identity and competitive differentiation to the organization (Wood, 2007).

In regards to branding, a distinction is made between corporate brand and product brand. Davies and Chun (2002) explain and discuss that organizations can have separate brands for the products in regards to the corporate brand. They further claim that these corporate brands play a more central organizational role and are more crucial to the company than any single-product brands are. However, in this thesis no product brands are discussed, instead the focus lies on the corporate brand.

The customers’ perception of the brand is referred to as brand image (Aaker, 1996). The brand image is a result of customers’ past brand experiences, and therefore also the way they perceive it. In order to improve the image of the brand, it is important to identify ways to increase brand equity, which is defined by Aaker (1996 p. 7), as “a set of assets (and liabilities) linked to a brands name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm’s customers.” According to Aaker (1996), it consists of four major asset categories; brand name awareness, brand loyalty, perceived quality and brand associations.

Furthermore, for a company to create and sustain a strong brand, a distinction needs to be made between the image projected to customers via advertising and the identity of the brand (Burmann & Zeplin 2005). Aaker (1996) explains that just like a person, a brand holds an identity. The identity is defined as “a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and implies a promise to customers from the organization members” (Aaker, 1996 p. 68). The brand identity should help to establish a relationship between the company and its customers (Simoes, Dibb & Fisk, 2005). The aforementioned image projected is branding through the traditional marketing channels and is in this
context called external marketing. The brand identity that is projected externally has to align with what is actually perceived by customers from the employees and the process of aligning these is called employee branding (Miles & Mangold, 2004).

2.2 Employee Branding

According to Burmann and Zeplin (2005) the employees of a company have to know about the desired brand identity and be willing to project that identity both internally and externally. If employees do not internalize the brand identity, they can easily undermine customer expectations created by the external marketing efforts (Burmann & Zeplin 2005). Simoes, et al., (2005) describe brand internalization by employees as communicating the brand to employees and involving them in the brand strategy and planning. It also includes involving employees in the nurturing and care of the brand.

The importance of employees as brand-builders has been pointed out in recent research (Gotsi & Wilson, 2001; Miles & Mangold, 2007; Aurand, et al., 2005; Ind, 2003; Simoes, et al., 2005) and employees are the ones who truly create the image of the company to customers and outside stakeholders (Ind 2003). Even if only a part of the employees might have external contact with customers, and therefore have the most impact on the brand image, the ambition should be to establish the desired brand image among all employees (Miles & Mangold, 2004). As employees become more important to the brand building process, companies need tools in order to deal with these issues.

The role of human resources in brand building is therefore increasingly important (Aurand, et al., 2005). The management of employees in brand building has been referred to as internal marketing, internal branding and employee branding (Aurand, et al., 2005). These themes are closely related, especially internal branding and internal marketing, which are used interchangeably. However, employee branding is rooted in the practice of internal marketing/branding but is a further evolution from these concepts (Miles & Mangold, 2004). While internal marketing is about achieving customer satisfaction through marketing tools, employee branding goes beyond this. It uses all organizational systems to encourage employees to project the desired organizational image (Miles & Mangold, 2004).

2.3 Employee Branding Process – Model

The analysis of the employee branding process at Company X will be based on the model by Miles and Mangold first published in A Conceptualization of the Employee Branding Process (2004), but later improved in Positioning Southwest Airlines through employee Branding (2005) (Figure 2:1: The employee branding process). To the best of our knowledge, this model is the only existing model regarding the employee branding process solely.

The process of employee branding is explained by Miles and Mangold (2004 p. 68) as “the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents.” The model proposes the different sources of messages that contribute to establish the mechanism
central to the employee branding process. Furthermore, it also proposes factors that should shape the message communicated to employees. The messages communicated, establish the psychological contract, which is central to the process. The psychological contract is the agreement between the organization and the employees, and this contract can be strengthened, by the use of a well thought through employee branding process. The more consistent the message is, the less likely it is that the contract will be violated (Robinson, 1996). A well-established psychological contract will secure the likeliness of employees communicating a positive brand image externally. The desired outcome is increased employee satisfaction which itself has a direct affect on turnover, customer satisfaction and the company reputation (Miles & Mangold, 2004). The model also describes a feedback loop through which managers can monitor the process.

![Employee Branding Process Diagram](image)

Figure 2.1: The employee branding process

As can be seen in our purpose, the aim is to investigate the employee branding process of Company X to gain an understanding of how they can utilize this as an efficient tool. The focus is therefore internal and hence, outcomes from this process will not be analyzed.

### 2.3.1 Mission and Values

The core in the message communicated is, according to the model of Miles and Mangold (2004), the organization’s mission and values. According to Armstrong et al. (2005) in *Principles of marketing*, the mission is the formulated purpose of the company. It should guide the organization and state its overall goal, present the direction, and direct decision-making. It should act as “an invisible hand that guides the people in the organization, so that they can work (...) towards overall organizational goals” (Armstrong, et al., 2005 p. 51). Armstrong et al. (2005) further state that the desired brand image communicated should be a direct derivative of mission and the values stated by the organization.

The guiding values in the mission statement are the key words used for guiding managers and employees when making decisions and dealing with stakeholders. According to
Urde (2001) in Core value-based corporate brand building, three different types of values are important to include in a well-defined mission statement; “(1) values that are related to the organization, (2) values that summarize the brand and (3) values as they are experienced by customers” (Urde, 2001 p. 1019). Urde (2001) explains that there are both theoretical and practical advantages in dividing values into the three aforementioned areas; it becomes easier to see what the organizational values are, which the core values are and which the added values are. When viewed together, they form the value foundation of a corporate brand (Urde, 2001).

2.3.2 Desired Brand Image
Desired brand image refers to what organizations want the brand to represent to its customers (Miles & Mangold, 2005). Miles and Mangold further explain that an organization’s brand image is based upon its mission and values. The mission and values should provide a groundwork that defines the desired brand image. A good formulation of the desired brand image should involve and package the company’s mission and values. This makes it easier for employees to internalize and preserve these. A well formulated desired brand image can also define how staff members are expected to deliver customer service (Miles & Mangold, 2005).

2.3.3 Sources/Modes of Messages
While the core of the message communicated is the mission and values of the organization, the actual communication is the core of the employee branding process. In order to succeed in employee branding, communication is central (Miles & Mangold, 2004). Guffey, Rogin, Rhodes (2009) define communication in Business Communication: Process and Product, as “transmission of information and meaning from one individual or group to another” (p.10). They argue that the meaning of the message is central in the communication, which is successful when the receiver understands it as the sender intended it (Guffey et al., 2009).

The communication process begins with a person sending out an idea. The idea has to be converted into words that will convey the meaning. When the receiver gets the message, the message needs to be encoded. The predicament arises due to the fact that words have different meaning to people (Guffey et al., 2009).

The medium, which the message is transmitted in, is the channel. The channels can vary a lot, from informal interaction to company memorandums and annual reports (Guffey et al., 2009). The difficulties are that the message often is interrupted along the way to the receiver. This is called noise, which is the interference with the decoding of messages. The sources of noise differs, it can be lack of interests, cultural differences and poor organizational communication (Guffey et al., 2009).

In order to be able to succeed with the communication in the employee branding process, it needs to be fully established in top-level management (Greene, Walls & Schrest, 1994). Furthermore, Greene et al., (1994) state that employee branding should originate at the top and then be communicated to employees.

The message is in the model divided into two clusters, formal and informal.
2.3.3.1 Formal Internal Sources

The formal internal sources of information communicated within a company are usually those communicated through human resource management and public relation systems. Miles and Mangold (2004) mention some examples of communication from human resource management, such as recruitment documents, newspapers and periodicals and the organization’s Internet sites. Through the processes of attracting and retaining employees, training and development and compensating employees in equitable ways, competitive advantage is achieved (Miles & Mangold, 2004). Public relation systems are the formal marketing efforts made within the company. In order to succeed in employee branding, they should be targeted to employees, as well as external constituents (Miles & Mangold, 2004).

Both systems are highly effective in the employee branding process, when used in the right way. Miles and Mangold (2004) argue that there are two reasons for this. First, managers can to a high extent control these systems. Second, the managers can emotionally connect employees to both the brand and the organization.

2.3.3.2 Formal External Sources

Formal external sources of messages comprise of advertising and PR systems. Since these sources communicate the values and brand image of the organization to external constituents, employees are often secondary recipients of such external messages (Miles & Mangold, 2004). Hence, the formal external sources are also part of the employee branding process.

2.3.3.3 Informal Internal Sources

The informal internal sources of messages are the interactions with or observations of employees, supervisors and friends within an organization (Miles & Mangold, 2004). The internal communication focuses on how the employees learn beliefs, values, orientations, behaviors, skills and such, necessary to fulfill their roles and functions within the organization (Ashford & Sachs, 1996).

2.3.3.4 Informal External Sources

Informal communications from external sources are often in the form of customer feedback and word-of-mouth communication from friends and acquaintances (Miles & Mangold, 2004). If the employee receives confirmation from customers or other external sources, the employees’ image of the organization might be strengthened. This can have an immense impact on employees’ psyches and their employee brand image (Miles & Mangold, 2004).
2.3.4 Employee’s Psyche

Employees’ knowledge of the desired brand image and their willingness to project it to others resides in their psyche. If the message is consistent over time, the employee psyche is strengthened and the willingness to project this externally is increased (Miles & Mangold, 2005).

The areas of measurement of the employee psyche within the employee branding process are knowledge of desired brand image and psychological contract (Miles & Mangold, 2004).

2.3.4.1 Knowledge of Desired Brand Image

Miles and Mangold (2004) argue in *Positioning Southwest Airlines through employee branding*, that employees must have knowledge of the desired brand image if they are to project that image to others. The organization should therefore build the employees’ knowledge of the desired brand image. Miles and Mangold (2004) continue with emphasizing the fact that the desired brand image should, by consistent internal communication be aligned with the company’s mission and values and build the psychological contract.

2.3.4.2 Psychological Contract

The psychological contract is employees’ beliefs regarding the obligation between them and their employers. The beliefs become contractual when the individual believes that he or she owes the employer certain contributions, such as hard work, loyalty, sacrifices, in return for certain incentive, like high pay, education or job security (Rousseau, 1989). However, measuring the psychological contract is a complex procedure. Herriot, Manning and Kidd (1997) mention several areas of measurement such as training, fairness, work environment, pay and benefits. All of these areas are included in the psychological contract and should therefore be measured. Lots of research has been made when it comes to forming, keeping or breaking the psychological contract, but there has been little work on its content. Yet, such understanding is vital to form satisfactory employment relationships when it comes to psychological contract (Herriot et al., 1997).

Ng and Feldman (2009) further explain that the psychological contract is violated when employees perceive that the employers have failed to fulfill at least one promise. They mention cases such as not receiving promotion or the promotion in the right time, since a delay can also cause a breach. Furthermore, they finally mention that a violation of the contract can be due to the fact that the employees feel that they over-fulfilled their obligations (Ng & Feldman, 2009).

When it comes to measuring the psychological contract, there are two main approaches; the unilateral view and the bilateral view (Rousseau, 1990). The unilateral view mainly refers to the employee perspective on employee and organizational expectations and obligations (Rousseau, 1990). Rousseau further explains that the bilateral view on psychological contracts considers the contract to be the whole of the employer as well as employee perceptions on exchanged obligations. According to Freese and Shalk (2008) the best approach for measurement of the psychological contract is the unilateral approach. They argue that a psychological contract is literally psychological and therefore by defi-
nition an individual perception. They further argue that measurement of a psychological contract with a bilateral view is problematic, because the organization consists of many actors (top management, supervisors, human resources, colleagues) who might communicate different sets of expectations. We will, in line with the previous argument, use the unilateral approach in this thesis.

If a strong psychological contract is upheld, employees are more likely to project the companies’ brand image externally (Miles & Mangold, 2005).

2.3.5 Employee Brand Image

The employee brand image refers to the image employees project to those around them. This is likely to be aligned with the desired company brand image when employees know and understand the desired brand image, and are sufficiently motivated to project it to others (Miles & Mangold, 2004).

2.3.6 Feedback Loop

The feedback loop is a critical component of the employee branding process model. It allows organizations to monitor the consequences of the process and to identify areas for improvement (Miles & Mangold, 2004). If the organization fails to achieve the desired brand image, Miles and Mangold (2004) suggest that the process should be re-examined for deficiencies in message design and delivery.

2.3.7 Outcomes

According to Miles and Mangold (2004), an efficient employee branding process will strengthen the brand image, which will benefit the organization in terms of higher levels of employee satisfaction and performance, service quality, and customer retention, as well as a reduced employee turnover. Furthermore, customers who perceive strong brand images are more likely to engage in favorable word-of-mouth communication. Employees may also be more likely to engage in favorable word-of-mouth communication when they feel their psychological contracts have been fulfilled. However, as stated previously, this area of the model will not be evaluated.
3 Method

The method chapter begins with a statement of the research approach and research type that have been chosen to answer the research questions. The different ways of collecting data that have been used are also explained along with the rational behind the choices made. The validity and reliability of the chosen method will also be discussed and an explanation of how the analysis of the empirical material will be performed is also included.

3.1 Research approach and introduction to chosen method

According to Anderson (2004) a deductive approach refers to research that builds on general ideas and theories and moves towards particular situations, with testing of hypothesis. An inductive study, on the other hand, investigates a particular situation that leads to certain general assumptions and theories in the end (Anderson, 2004). Since this thesis investigates the employee branding process of Company X, the assumption of the theory is inherent from the start and all data collected will be analyzed in the light of a certain model, hence a deductive viewpoint is applied. However, no hypothesis is formulated and the employee branding theories are not tested as such, but rather used as means of analysis. Further, as Gill and Johnson (2010) describe, some elements that are often combined with induction, such as the use of qualitative data and an acceptance of deeper and richer data that is less generalizable than purely descriptive and quantitative, are to some extent also present in this thesis.

As the authors of this thesis, we believe that the reality lies in perceptions of the individual and try to understand how the process of employee branding is used in Company X from an interpretative perspective. This perspective sees human interaction as the cause for social phenomena and focuses on the understandings and meanings, according to Anderson (2004). Therefore a qualitative basis of primary data, which seeks to describe and understand the meaning (Van Maanen, 1983), is used to interpret how the management sees its mission, values and how it wants its brand image to be perceived among internal and external stakeholders. The qualitative data then further describes how the management attempts to communicate this to its employees, what it expects from them and what it promises; i.e. understanding what employees are promised when evaluating the unilateral psychological contract. Even if this data could be questioned as biased, since the management itself presents how it subjectively sees the situation and how it tries to manage the issues related to employee branding, this is very well in line with what we want to accomplish with this study. We need to reach an understanding of how the management perceives its actions in order to understand the own view of how it works with the employee branding process. The data collected from the management is further validated by what is stated by Greene et al. (1994); that values are most importantly originated and communicated through the management group of a company, regardless of what is written, or in other ways communicated.

However, to measure how well the management actually communicates the mission and values, that builds the foundation of the desired brand image, the employees with customer contact also need to be measured in a cross-sectional part of the study within the
We have chosen to focus on the employees with customer contact since they have a direct impact on how the brand is perceived externally. For this purpose, data needs to be collected that determines to what extent the employees agree with what the management states. Since the emphasis in quantitative data is on describing the range or frequency of a phenomenon (Anderson, 2004), rather than subjectively examining or reflecting on it, as with qualitative data, a more descriptive approach is used in this part of the study. The quantitative data is collected in a survey where the degree of which the desired brand image is known by employees and how well the psychological contract is upheld among them is measured. Yet, the research conducted is still qualitative in nature, since it aims to describe and understand how Company X works with the employee branding process and how it can utilize this as an efficient tool.

3.2 Research type
In Research Methods in Human Resource Management, Anderson (2004) describes three different types of research. Exploratory research often uses qualitative data to gain new insights and look for patterns and ideas that can be tested. Descriptive research aims to accurately profile people or situations and focuses on the what, when, where and who, but not the underlying reasons behind. Lastly, explanatory research focuses on the why and how to explain a situation or a problem. This thesis is mainly explanatory in nature since it aims at understanding how Company X works with employee branding, but, as justified in the last paragraph, it uses descriptive research in parts of the study to measure how efficient the process of employee branding is.

3.3 Data collection
This section describes what sort of data is used and how it was collected, along with the reasoning behind the chosen methods. Both secondary and primary data is collected for the purpose of the thesis and the process of collection involves two phases that are described below.

3.3.1 Secondary data collection
The first phase involves the collection of secondary data, which is defined as “data used for a research project which was originally collected for some other purpose” (Saunders, Lewis, & Thornhill, 2007, p. 611). This is used to help build the framework for the analysis and interpretation. Through the process of the phase, a detailed review of the existing literature within employee branding is conducted. Since there is a lack of existing research and empirical material within this specific field, a review of closely related issues has also been done. This includes review of the areas internal marketing, internal communication, relationship marketing, branding and psychological contract. When searching for relevant literature, the initial means of searching was Google Scholar. This search engine was chosen because it searches among a wide range of databases and combines the results. Through the results from Google Scholar, we have in addition used more specific but big databases such as ScienceDirect, Business Source Premier and used various academic journals within marketing, management and Human Re-
sources. Two examples are the peer-reviewed Journal of Relationship Marketing and Journal of Organizational Behavior.

3.3.2 Primary qualitative data collection

The second phase involves collecting primary data. This is used to look into how Company X works with the employee branding process and how efficiently it is used. Saunders et al. (2007) describe primary data as the data that is gathered for a certain research project. As stated earlier in 3.1, two sets of primary data have been used; qualitative data through semi-structured interviews with the management and quantitative data through surveys to the Company X employees in Sweden.

Qualitative techniques are defined by Van Maanen (1983, p. 9) as “an array of interpretative techniques which seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in the social world”. There are different methods of collecting qualitative data according to Anderson (2004), such as participant observation where the researcher tries to observe the group being researched or various ways of interviewing. Participant observation has a major advantage since behavior is watched and therefore might have more validity than asking respondents questions about their behavior. However, one main disadvantage is that observation also requires a large time commitment (Anderson, 2004), which is of course limited in this bachelor thesis. Interviewing on the other hand, gives the researcher the possibility to understand the reality of the interviewees and what their beliefs and values are. Compared to participant observation, it is less time consuming but lacks the directness of observing the actual behavior. Nevertheless, this alternative seems more suitable since there are time constraints and we aim at measuring if what the management claims to do is actually also perceived by employees in the same way, as discussed in the introduction to the research approach and chosen method (3.1). In addition, for us who take an interpretative perspective, interviewing also stands out as a good mean to access the qualitative data and understand how the management works with the different parts of employee branding and the reasoning behind.

3.3.2.1 Type of interview

When choosing the type of interview, there is a wide array of possible ways in which it could be constructed. The choices are e.g. if focus groups, where several people are interviewed at the same time in a discussion forum, or one-to-one interviews are most suitable, as well as the level of structure in each interview (Easterby-Smith, Thorpe & Lowe, 2002). Focus groups are useful ways of investigating what the major concerns and issues are in a group, by interviewing many respondents at the same time. Compared to interviewing all participants individually, Anderson (2004) argues that focus groups are less time consuming and can achieve snowballing of ideas when participants respond to, and build on each other’s answers. However, a polarization effect of people’s attitudes can occur, or, as Easterby-Smith et al. (2002) argue; social pressures can condition the answers. In one-to-one interviews, this polarization affect does not occur (Anderson, 2004) and we see it as an advantage for the interview results to understand each individual interviewee’s opinion and beliefs about the employee branding process.
Even though one-to-one interviews are more time consuming and the snowballing effect might be lost, compared to arranging a focus group, this seems as the most appropriate choice. Further, in order to more easily gain trust from interviewees the authors choose face-to-face interviews at the Company X office instead of having telephone interviews.

3.3.2.2 Degree of structure of interview

Interviews can be structured into three types according to Anderson (2004), structured-, semi-structured- and in-depth interviews. Structured interviews, with predetermined standardized questions that often are closed-ended, resulting in quantitative data, is of less importance at this stage of the research process. Of the choices remaining, Anderson (2004) continues to explain in-depth interviews as having few set questions and where the interviewer takes an approach where he or she is more spontaneous and does not direct the respondent. In a semi-structured interview, the themes and even questions are known in advance and the interviewer uses a more directive approach than in in-depth interviews. The questions should not be ambiguous but are mostly open-ended (Anderson, 2004).

Our choice is semi-structured interviews with pre-set and open-ended questions. This is more likely to produce a clearer picture of the employee branding process within Company X and data that is easier to analyze than if an in-depth approach had been chosen (Easterby-Smith et al., 2002). The themes of the interview follow the model by Miles and Mangold (2004) and are:

- Mission and Values
- Desired Brand Image
- Sources/ Modes of Messages
- Psychological contract
- Feedback Systems

Within the interview, the level of structure varies depending on what kind of information we are focusing on and some questions tend to be close to a structured approach. The first two themes are more straightforward in a sense that the issues have more direct answers. An example of this is question number 10:

- What values represent Company X?

The questions in the last three themes are still set in advance, but are designed to be more open in nature. The issues dealt with in these themes are less straightforward since the questions can be answered through many perspectives. An example of this is question number 19:

- Describe the organizational culture of Company X.

The interview questions are found in appendix 1.
3.3.2.3 Interview procedure and process

The interview questions are formed to follow the employee branding process model since it sets the basis for the analysis. The focus is on the earlier specified elements of the model since they combined produce the employee brand, which creates the outcomes explained in the model.

All interviews take place in a neutral conference room in the Company X office. The interviewees are provided with the main themes of the interview in advance, who and from where the interviewers are, along with a brief explanation of the purpose of the thesis. All three authors are present in every interview, but one has the main role of leading and directing the interview forward. All interviews are recorded at the same time as the two authors that do not lead the interview note keywords and are responsible for the recording. The questions are asked in English, but the respondents are given the choice to answer in Swedish or English, whatever they prefer. This approach is chosen in order to make the respondent as relaxed as possible and more willing to open up when answering. Further, the interview is designed to take approximately one hour due to time limitations from Company X, which is carried out in all interviews but one, where the interview takes about one hour and 45 minutes.

3.3.2.4 Interviewees

When selecting interviewees for the research, the aim has been to conduct interviews with members of the top management of Company X. The interviewees should have a high degree of influence in the company and a broad overview perspective of its various processes through their managerial positions. A reason for choosing top management is also because earlier research states that employee branding should originate at the top and then be communicated to employees (Greene et al., 1994). The CEO of Company X, Interviewee 2, has through his position a suitable broad view of the company, along with a high degree of influence and is therefore an appropriate interview object. Since he, as our contact person, also is well aware of our research purpose he should have good knowledge of who would be appropriate for us to interview. Consequently, he selects three other members of the top management team with sufficient firsthand knowledge of how the management works with these issues. Further, their different roles and perspectives within the management give the data depth and insights from different points of view. The names, positions, dates and the length of the interviews can be found in the list of interviewees below.

Table 3.1 List of interviewees

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Position</th>
<th>Date</th>
<th>Length of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewee 1</td>
<td>Medical Director</td>
<td>7/4 2010</td>
<td>50 min</td>
</tr>
<tr>
<td>Interviewee 2</td>
<td>CEO, Chairman of the board</td>
<td>7/4 2010</td>
<td>1h 45 min</td>
</tr>
<tr>
<td>Interviewee 3</td>
<td>Customer Excellence Director</td>
<td>9/4 2010</td>
<td>60 min</td>
</tr>
<tr>
<td>Interviewee 4</td>
<td>HR Director</td>
<td>9/4 2010</td>
<td>55 min</td>
</tr>
</tbody>
</table>
3.3.3 Primary Quantitative data collection

In order to analyze and measure to what extent employees know about the desired brand image and how well the psychological contract is upheld, a quantitative method for data collection will be used.

3.3.3.1 Survey and Questionnaire

The method of collecting the quantitative data can vary. It can either be structured interviews or questionnaires (Mitchell, 1998). Mitchell (1998) explains that when making structured interviews, the researcher administers the questions, which can be defined and explained further. This is an advantage since misunderstandings easy can occur. However, it is more time and resource consuming. We have therefore chosen, in line with the desire from Company X, to create a questionnaire.

We construct a questionnaire in order to analyze the employees’ perceptions regarding the mission, values, desired brand image, how well the psychological contract is upheld and the area of feedback in Company X. Questions are built upon findings from the qualitative interviews, as well as articles regarding analyzing and measuring the psychological contract.

In this thesis the word survey is used interchangeably with the word questionnaire when referring to the questionnaire sent to Company X employees.

3.3.3.2 Modes of data collection

Kumar (2005) explains that data collected by the questionnaires can be composed in different ways. It can be by telephone, by sending the questionnaires by mail or online via e-mail. The telephone method has its advantages, such as leading to a higher response rate and that the interviewee can increase comprehension of questions by answering respondents’ questions. However, it is more time consuming for the researchers and requires them to schedule time for the interviews, which limits flexibility among the respondents. Even if answering an interview and questionnaire might take the same time, a questionnaire can be answered when it suits the respondents, which makes it more convenient for them (Easterby-Smith et al., 2002). Sending questionnaires by mail is costly and inefficient, and since the response rate usually is the same as online surveys, the latter is to prefer (Kumar, 2005). The researchers also consider it to go hand in hand with the time limit provided, as well as the request by Company X.

In order to maximize the number of responses, we send the online survey via Interviewee 2, the CEO of Company X. Sending it from him, together with an exhortation, will to a higher extent ensure that the survey is being taken seriously. However, the negative aspect of such an approach is that the respondents might feel as if this is an important area for the CEO and therefore feel obligated to answer in a way that looks good, instead of giving the true picture. To eliminate this predicament, we has stated in the survey that “[n]o attempts will be made to identify survey participants or to link answers to a certain person. The results will be provided at an aggregate level” as well as “[w]e appreciate your participation and sincerity when answering”.

18
3.3.3.3 Design

According to Easterby-Smith et al. (2002), questionnaires may seem simple to use and analyze, but its design is by no means simple. The design of the questions as well as the format of the questionnaire needs to be well distinguished.

They further explain that a distinction between questions of fact and questions of opinion needs to be made. Concerning facts, answers can be incorrect, while regarding opinions, nothing is incorrect/correct. Biographical questions, such as age, level of education or time in the organization are questions of fact. Here, the respondents may choose to give the wrong answer due to integrity reasons. It is therefore important to ensure the confidentiality of the responses.

Easterby-Smith et al. (2002) also make a distinction between open and closed questions. For example, the question “what makes Company X a good employer?” would need a written statement to answer and is therefore called an open question. However, if the question would be “is Company X a good employer?” answers would be only yes or no and is therefore a closed question. According to Easterby-Smith et al. (2002), both the open and the closed questions have their disadvantages.

Table 3.2 Question types

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Open Questions</strong></td>
<td>• In-depth, since answers vary and can therefore be more precise.</td>
</tr>
<tr>
<td></td>
<td>• Possibility to express freely</td>
</tr>
<tr>
<td></td>
<td>• Eliminate investigators bias</td>
</tr>
<tr>
<td></td>
<td>• Difficult analysis</td>
</tr>
<tr>
<td></td>
<td>• More time consuming</td>
</tr>
<tr>
<td><strong>Closed Questions</strong></td>
<td>• Ensures that the information needed is collected</td>
</tr>
<tr>
<td></td>
<td>• Easy to analyze</td>
</tr>
<tr>
<td></td>
<td>• Questionnaire takes less time to answer</td>
</tr>
<tr>
<td></td>
<td>• Lack of depth and variety</td>
</tr>
<tr>
<td></td>
<td>• Greater risk of investigator bias</td>
</tr>
<tr>
<td></td>
<td>• Readymade responses might make the respondent answer questions without thinking through</td>
</tr>
</tbody>
</table>

(Source: Easterby-Smith et al., 2002; Kumar, 2005)

Even though open ended questions have advantages that easier can ensure a higher level of validity, our resource constraints, both time wise for us as well as from Company X, make us choose to have a majority of closed questions. However, two questions will be
open; one regarding organizational culture and one regarding brand associations. The reason for this is that a closed question, with by us chosen answers, would lead the responses too much and the result could therefore be bias.

However, closed questions do not have to be yes or no based. Closed questions can be constructed to allow more versatility by using something known as the Likert scale (Easterby-Smith et al., 2002). When using a Likert scale, respondents will be asked to ring one answer from multiple categories indicating the strength of agreement or disagreement:

**Company X is a good employer:**

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree strongly</td>
<td>1</td>
</tr>
<tr>
<td>Agree</td>
<td>2</td>
</tr>
<tr>
<td>Undecided</td>
<td>3</td>
</tr>
<tr>
<td>Disagree</td>
<td>4</td>
</tr>
<tr>
<td>Disagree strongly</td>
<td>5</td>
</tr>
</tbody>
</table>

(These questions are only examples and not used in the questionnaire)

Another structure of closed questions is the ranking exercise. Here the respondent is asked to indicate the order of importance of a list of attributes or statements (Easterby-Smith et al., 2002):

**Please rank (1-4) these values accordingly to what extent they affect your everyday work.**

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pioneering</td>
<td>[    ]</td>
</tr>
<tr>
<td>Caring</td>
<td>[    ]</td>
</tr>
<tr>
<td>Enduring</td>
<td>[    ]</td>
</tr>
<tr>
<td>Achieving</td>
<td>[    ]</td>
</tr>
</tbody>
</table>

The advantages are that these questions make the responders analyze and more deeply process the questions. However, the ranking exercise is more demanding from the respondents and is not always necessary, since the Likert scale can give the same result. The answers can also be misleading, e.g. when the ranking is too difficult to make (Easterby-Smith et al., 2002).

Easterby-Smith et al. (2002, p.131) also mention a number of principles that the researchers must consider when drafting a questionnaire:

- “Make sure that the question is clear
- Avoid any jargon or specialist language
- Avoid negatives
• Avoid personal questions
• Do not ask two questions in one item
• Avoid leading questions which suggest indirectly what the right answer might be”

### 3.3.3.4 Creation and formulation of questionnaire

Since employee branding, as a research phenomenon, is rather undeveloped, we could not find any previously constructed questionnaires to use, which covered all areas of the employee branding process. However, the questions regarding the psychological contract are based upon the research questions constructed by Rousseau (2000) in Psychological contract inventory: Technical report. This approach for measurement of the psychological contract is recommended by Freese and Shalk (2008) in How to measure the psychological contract? A critical criteria-based review of measures. Due to time limitations, only three of the research questions from the questionnaire are used. The questions chosen cover the broadest area of the psychological contract. A more detailed investigation regarding the psychological contract would give the psychological contract too much space in the survey and therefore devaluate the importance of the other themes within the employee branding process.

In order to ensure a high level of validity and reliability, the questionnaire was tested and modified three times. The first test group consisted of five students from Jönköping International Business School. After a slight modification of the questionnaire in regards to the feedback, it was further sent to an employee at Company X. The final test was by Interviewee 2, the CEO of Company X. We wanted to ensure that the questions covered all themes, were clear and understandable as well as not exceeding the time limit of 10 minutes requested from Company X.

A majority of the questions used in the questionnaire are Likert scale questions. With these questions we can ensure that the information received from the survey is in line with the information we need. Even if a ranking scale could give us more in-depth answers, they can also be misleading, as mentioned previously. The respondents are supposed to rank the statements from 1-7. This is done since we want broader and more versatile data.

As stated, two questions in the survey are open, even though this makes it harder and more time consuming to analyze. The decision to make these open is due to the fact that a closed question would guide the answers to a large extent.

The biographical questions are closed ended questions due to the fact that these are questions of fact and not opinion.
Table 3:3; Question in questionnaire

<table>
<thead>
<tr>
<th>Question Type</th>
<th>Question #</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closed ended – Likert scale</td>
<td>1-11, 14-18</td>
<td>Q # 11) To what extent does the statement “A promise for life” guide your daily work? (Rank 1-7)</td>
</tr>
<tr>
<td>Closed ended – Yes/No</td>
<td>20-24</td>
<td>Q # 22) Managerial position?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Open ended</td>
<td>12, 13, 19</td>
<td>Q # 13) Please write 3 separate words that represent the BRAND Company X to you.</td>
</tr>
</tbody>
</table>

3.3.3.5 Sampling

Sampling is “the deliberate choice of number of people to represent a greater population” (Anderson, 2004, p.160). The sample should be big enough to ensure validity and reliability, but small enough to be manageable for the researchers. Determination of sample size is essential when it comes to research projects. Inappropriate, inadequate, or excessive sample sizes influence the quality and accuracy of research (Easterby-Smith, 2002).

There are two main methods to determine an appropriate sample; probability sampling and non-probability sampling. Probability sampling is when you determine a sample that is statistically representative of the research population as a whole. This means, if you ask the same question to everyone in your sample, the answers should be representative for the entire population (Anderson, 2004). Anderson (2004) further explains that non-probability sampling is the opposite; hence the answers might not be representative for the entire population. Non-probability sampling can be used for numerous reasons; it is convenient, less time wasting, less expensive and also that the researchers focused upon a group with specific knowledge within the population.
However, when analyzing a smaller population where it might be manageable to conduct the survey upon the entire population, this is to prefer since it limits the problems with validity. The survey conducted in this research is targeted to the employees of Company X who have customer contact. The total number of employees at Company X is, according to Interviewee 2, the CEO of Company X, 170 persons and since not all have customer contact, the total population is smaller. Since the population is rather small and the method chosen is an online survey, it is possible for the researchers to investigate the entire population. Hence, no sampling will be made.

Interviewee 2 has been given the responsibility to send the questionnaire to the employees with customer contact and did so to 98 employees. The e-mails sent can be seen in appendix 3.

3.4 Validity and Trustworthiness of Chosen Method

Easterby-Smith et al. (2002, p. 134) define validity as “a question of how far we can be sure that a test or instrument measures the attribute that it is supposed to measure”. They further mention three various ways of estimating validity; face validity, convergent validity and validity by known groups. Face validity is whether the test seems to measure what it is intended to measure. Convergent validity refers to when an instrument of measurements is validated through comparison to other instruments, while validation by known groups is when findings are compared with a group otherwise known to differ in the factor in question (Easterby-Smith et al., 2002).

Since this thesis is based upon the model of Miles and Mangold (2004), which has been used to measure and evaluate the employee branding process, one might argue that this thesis is validated though convergent validity. However, neither the questionnaire nor the interview questions constructed have been validated though comparison with the ones used in Miles and Mangold’s research (e.g. Positioning Southwest Airlines through employee branding, 2005). The reason for this is simply that we have not, despite rather extensive search, managed to find any from previous studies. Due to this, a potential weakness of our thesis is that we have formulated the questionnaire- and interview questions ourselves. In order to ensure that the questions in fact were both valid and reliable, we investigated how to construct these by reading literature regarding this such as Management Research – An introduction by Easterby-Smith et al., (2002), Research Methods for Business Students (4th ed.) by Saunders et al., (2007) and Qualitative Methodology by Van Maanen (1983). Based upon the knowledge gained from these books, questions were constructed for the interview and later also the questionnaire. Furthermore, since the entire thesis is based upon the previously mentioned model, one could argue that the test seems to measure what it is intended to measure. We therefore argue that the thesis is validated through face validity.

There are some further potential setbacks in our method. The fact that we decided that all three should be present during the interviews could have increased the social pressure (Easterby-Smith et al., 2002) of the interviewees and made them answer in other ways than they otherwise would. However, in our minds, the hazard of missing information during the interviews was bigger than the risk of social pressure. Furthermore, the decision to ask the questions in English but letting the respondents answer in Swedish
or English caused a risk of translation bias. Nevertheless, we premeditated that the risk of translation bias would not be bigger than the risk of not getting enough elaborated answers due to language insecurities.

A further area where improvements could have been made in order to increase the validity of the findings is to use more data from other sources. One would be to collect and analyze communication from Company X and use as secondary sources of information. Examples of communication that could have been analyzed are CEO newsletters, public memos, the Company X website and management presentations. This would complement the data gained from the interviews of the management, and could further be used to validate whether what it stated regarding its communication was in accordance with its actual actions.

Another predicament in the method is the dependency of only one model. Since we could not find any additional models, it was never compared to any additional. If we would have found other models, a further elaboration of the method could have been conducted and a further validation of the approach would be made.

Finally, the main setback in our survey is the low number of responses in the questionnaire. Out of the 98 it was sent to, we received 26 answers out of which 24 were completed. Due to this, no definite conclusions can be made since the survey only reflects the opinions of a small number of the employees. However, we can identify patterns that we interpret as indications and not final statements. Therefore, in order to affirm our findings, a more extensive investigation would need to be done.

3.5 Analysis of Empirical Material

According to Anderson in *Research Methods in Human Resource Management* (2004) “[a]nalysis is a process of thought that enables you to understand the nature of what is being investigated, the relationships between different variables in the situation, and the likely outcomes of particular actions or interventions” (p.169). Therefore, in order to answer the research questions when conducting analysis of the data, the aim was to first identify and explore important themes and patterns (Easterby-Smith et al., 2002), to further identify the strengths and weaknesses between what management wants to communicate and what the employees actually perceive.
In order to achieve this, the process has followed the steps of the analysis model by Anderson (2004, p. 170).

![Analysis model diagram](image)

Figure 3.1: Analysis model

After the interviews, the analysis process has begun with a transcription of all qualitative data from the recordings, so that nothing said in the interviews is missed. From there in accordance with Easterby-Smith et al. (2002), summaries are written that describe what has been said in the four interviews, with similarities as well as disparities among the comments. These summaries are used to abstract and reduce the data and follow the different parts of the employee branding process model (Figure 2.1 The employee branding process) by Miles and Mangold (2004). The different themes are therefore:

- Mission and Values
- Desired Brand Image
- Sources/ Modes of Messages
- Employee Psyche
- Feedback Loop

After the questionnaire is built from the summaries of the interviews and the literary framework, as described earlier, it is distributed to employees in Company X with customer contact. The quantitative data collected is then described in the same way in the aforementioned themes.

The analysis is then performed by combining the two sources of data; again, through consistent use of the employee branding process model, to explore key themes and patterns. From similarities and differences of the two sources and consideration of how the themes are linked together, alternative explanations and reflections of the process are formulated from which conclusions are drawn and verified.
4 Empirical Data

In this chapter of the thesis, the qualitative and quantitative primary data from the interviews and the survey will be accounted for as the management’s view and the employee perceptions, in line with the research questions. Company X will be referred to by name or as the company and when the management of Company X is mentioned, the four interviewees are referred to.

4.1 Management’s View - Primary Qualitative Data

4.1.1 Mission and Values

4.1.1.1 Mission

Company X does have a written mission statement but there is little coherence between answers when asking interviewees what it is. Interviewee 1 does not know the entire mission statement but claims the key theme to be “If the customer succeeds, Company X succeeds.” Interviewee 3 chooses not to answer but admits the existence of the mission statement. Another answer is simply that the mission statement is “A promise for life” (Interviewee 4, 2010-04-09).

The respondents all formulate the purpose of Company X as “A promise for life”, which is also the tagline they use in writing, together with the company logo. Interviewee 2 (2010-04-07) describes this tagline by saying “our purpose is to improve life’s of patients”. Interviewee 1 (2010-04-07) describes the purpose as develop solutions for the good of patients. Interviewee 4 (2010-04-09) says that “a promise for life” means that Company X should convert science into improved life of patients.

Interviewee 1 (2010-04-07) furthermore explains the overall goal of Company X as the innovation process Company X undergoes together with stakeholders in order to create sustainable solutions for the good of patients, to make sure that they are healthy, strong and are able to work. All respondents state the role of the patient as central and improved health through science as the overall goal for Company X. Interviewee 2 (2010-04-07) explains the overall goal as “making sure the right patient gets the right treatment at the right time”. He further discusses the financial side of Company X and states that since it is a shareholder owned company “having a consistent and superior financial performance” (Interviewee 2, 2010-04-07) is also an overall goal. Interviewee 4 (2010-04-07) describes the overall goal for the entire organization as “Passionately convert science into a contribution to good health”.

4.1.1.2 Values

The four main values of Company X are pioneering, achieving, caring and enduring (PACE) (Interviewee 2, 2010-04-07; Interviewee 1, 2010-04-07; Interviewee 3, 2010-04-09; Interviewee 4, 2010-04-09). The interviewees are all fully aware of their existence and the definitions of them even though there is a slight discrepancy in the definition of Enduring.
Three respondents define enduring as managing sustainably, being there for the long run and that Company X can be trusted. Interviewee 1 (2010-04-07) discusses the financial side of Company X and that Company X has to make sure to make money as a company when describing enduring.

Pioneering is defined as being innovative and pioneering in three different areas; market, organization and product. (1) Making sure that Company X drives the market, constantly develops the customer relationship and that it continues to develop the sales processes. (2) Adapt the organization to fit expansion and goals. (3) Being innovative in product development since

“Company X is a company which relies on innovation and development” (Interviewee 2, 2010-04-07).

The caring value regards patients, employees and other stakeholders. The respondents are unanimous concerning this specific value and emphasize Company X’s caring towards these different groups.

Achieving is described by the management as making sure that the set goals are achieved. These goals are both individual for each employee as well as for the entire company. The respondents all stress this achieving aspect of the company and claim that Company X is a very goal- and achievement oriented company.

Interviewee 3 (2010-04-09) further believes that customers to a great extent trust Company X, which adds value to the customer experience based on the four values. Interviewee 4 (2010-04-09) feels that Company X’s core values help add value to customers and emphasizes benefits such as the improved daily life patients gain. Interviewee 1 (2010-04-07) emphasizes the importance of the long-term customer relationship. He states that values such as achieving and enduring have a higher organizational priority within Company X and that the focus on sales might at times overshadow the value of caring.

The interviewees also have opinions regarding other values that they feel should be expressed to employees even if they are not part of the four core values. Several interviewees mention empowerment as a potential addition to the value base (Interviewee 2, 2010-04-07, Interviewee 3, 2010-04-09, Interviewee 4, 2010-04-09) and is explained by Interviewee 3 as

“we hire smart people: let them think for themselves instead of telling them what to do” (Interviewee 3, 2010-04-09).

Interviewee 2 further develops this and mentions bravery as another value when he talks about being brave enough to make a decision or to be innovative. Interviewee 1 (2010-04-07) mentions the importance of ethics and states that they do focus on ethics as a part of their caring value, even though the focus might be improved.

4.1.1.3 Desired Brand Image

Interviewee 1 (2010-04-07) stresses the fact that there is a lack of knowledge regarding Company X as a company among potential customers and that the ones that are aware probably perceive Company X to be an American company with all negative and posi-
tive stereotypes that follow. Interviewee 2 says that customers probably perceive Company X as a “caring and innovative company” (Interviewee 2, 2010-04-07). Interviewee 3 (2010-04-09) describes a different view and states that customers probably see Company X as a very pleasant and fun company. This view of Company X is a frequent result in market research Interviewee 3 says, and that the focus on being pleasant sometimes distracts employees from sales. She states that Company X is good at building relationships with customers that is sometimes over emphasized and that other companies feel more business-like. Interviewee 4 (2010-04-09) thinks the associations of Company X as an old-fashioned and conservative company are changing towards more innovative and cool.

Interviewee 2 (2010-04-07) says that differentiation is a key aspect in how he wants the Company X brand to be perceived by customers in order to distinguish the company from competitors. Furthermore, he would like Company X to be perceived as truly caring for patients and that the company is brave enough to say that they prioritize the patients and work together with stakeholders to achieve this priority. Interviewee 3 (2010-04-09) and Interviewee 2 also talk about the ambition of being the preferred partner. They also point out that being innovative is a part of the desired brand image and that they want stakeholders to view Company X as a company that develops the market and the products. Interviewee 4 (2010-04-09) states that stakeholders should view Company X as a fellow expertise instead of merely a pharmaceutical company. Company X should also be viewed as a partner rather then having a seller-buyer relationship with customers. Interviewee 1 (2010-04-07) further points to the tagline a promise for life as a desired association in the minds of customers and that Company X is viewed as a contributor to patient health.

4.1.2 Sources/ Modes of Messages

According to the management of Company X, the employees encounter the own brand through many various sources. As it is today, the brand is visible and communicated through channels ranging from TV-screens in the office building, official internal and external company presentations and performance management systems (Interviewee 1, 2010-04-07). Further, Interviewee 4 (2010-04-09) explains that employees also encounter the brand during communication with external stakeholders as well as when attention is paid on Company X in external media. Interviewee 3 (2010-04-09) says that it lies within the responsibility of the management to make sure that the brand is communicated in the right way and through the right channels.

4.1.2.1 Internal Formal Sources of Messages

The HR department communicates formally in many different ways. Examples of these are a quarterly HR- newsletter, letter from the CEO and different brochures for recruitment (Interviewee 4, 2010-04-09). An introduction package to new employees is also designed and includes codes of conduct, corporate values and other initial key aspects (Interviewee 2, 2010-04-07).
4.1.2.1.1 Human Resource Management Systems

In the recruitment process, Company X has an established profile of demands for every specific role, as a part of its Human Resource Management Systems (HRM). In the interviewing process both the future superior and the HR function take part and have interviews where both cooperate and make a final assessment together (Interviewee 4, 2010-04-09). When asked for specific personality aspects that Company X looks for in general, Interviewee 4, the HR manager, explains that there are 5 core competences: adaptability, initiative, innovation, integrity and teamwork. She continues by mentioning that there now is emphasis on the teamwork abilities, “since we work with multi-stakeholders, employees have to be able to use all strengths in a team and not feel that this is only my area.”

While initiative and ability to be social and work in a team seem to be important personality aspects for all interviewees, Interviewee 2 (2010-04-07) also highlight honesty and integrity, in line with Interviewee 4. However, further abilities that are emphasized are ability to handle complex situations, handle stress (Interviewee 3, 2010-04-09) and trustworthiness (Interviewee 1, 2010-04-07). They state that the gut feeling is important when evaluating, even if Interviewee 3 admits that it might not be the theoretically correct way. Moreover, Interviewee 1 expresses a concern about the lack of systematic approach when evaluating candidates.

Regarding the training and development of new as well as current employees the management of Company X agrees that there are many alternatives for the employees to develop within each individual growth plan. Interviewee 1 (2010-04-07) mentions the growth plan as a way to communicate Company X’s four core values to employees and make the values significant in the daily work of the employees. The growth plan is a method Company X uses in order to customize a development plan, which includes the values, for each employee (Interviewee 1, 2010-04-07). Employees and their managers select values, upon which the employee is evaluated.

Further, there are both local and international training programs, internal or external, for both managers and non-managers (Interviewee 4, 2010-04-09). The programs that are initiated from the HR department in Sweden and the global Company X Laboratories are coordinated and evaluated according to Interviewee 4. However, she also mentions that there could be more structure in the evaluation of programs and that there are many training programs initiated by the departments themselves, which makes the coordination of what is communicated more complex. Interviewee 3 (2010-04-09) presents the same complexity, while she stresses the fact that Company X does not follow up well enough to see what value actually has been gained from the training investment.

There is also a variety of leadership training programs depending on the level the manager has within the hierarchy of Company X. It starts with a future leadership ambition program and as the leader grows within the organization there are many international programs. The leadership development is very well thought through according to Interviewee 2 (2010-04-07).

In addition to formal training programs, there is also a second aspect of developing employees, where people are put in new roles and positions in order to achieve a “competence stretch”. The progress of employees is continuously reviewed in order for them to develop professionally as well as personally (Interviewee 2, 2010-04-07). However,
when employees and managers are “stretched” within the company, the individual does often not get the full support needed (Interviewee 3, 2010-04-09).

Continuing through the HRM systems with rewards and compensations, Company X has a quite large range of different alternatives, which are both financial and non-financial (Interviewee 4, 2010-04-09). The financial compensation has a fixed and variable component with different bonuses that are individual and role-specific (Interviewee 2, 2010-04-09). Further, there are also different awards for extraordinary performance (Interviewee 1, 2010-04-07) and Interviewee 3 (2010-04-09) points out that there is almost “inflation” in different awards, of which none is explicitly connected to the corporate values. Interviewee 4 also states that the range of different rewards and compensations might be too large and is under reconstruction towards fewer but more consistent with each other. In addition, there is too much focus on individual performance when Company X needs to consider team based rewards and compensations to a larger extent.

The performance management systems affect the individual compensation and are to a large extent formalized by Company X Global in a “Performance Excellence” system (Interviewee 3, 2010-04-09) and through the growth plan (Interviewee 1, 2010-04-07). Interviewee 1 further describes the performance excellence system as “goals that employees try to reach which they are then measured on and if you do not reach them, your compensation is affected; classically American”.

The corporate values are in a general sense linked to the goals, such as financial-, business process- and activity goals. They are set for both individuals as well as teams, even if Company X is still improving on the team aspect (Interviewee 2, 2010-04-07). Recently, Company X has also added another component, where goals are defined in accordance to how the individual can contribute to Company X as “a great place to work” (Interviewee 4, 2010-04-09).

4.1.2.1.2 Public Relationship Systems

There are several ways in which the management tries to communicate the four core values of Company X internally. Interviewee 2 (2010-04-09) mentions specific screens at the office corridors where the values and mission statement are expressed. He further states that the key forum in which they speak about values are the leadership training sessions and during the new employee induction program. Interviewee 3 (2010-04-09) discusses the creation process of the values as a major part of trying to communicate them to employees. She relates back to when Company X’s values were first created as an internal joint project with all employees and managers a few years ago, in order to shape a value foundation all could relate to. These values were later changed to align with values decided by the global Company X Laboratories. However, Interviewee 3 still states that the employees that were involved in the value creation process at Company X became well aware of what values they should represent. She further describes a potential difference in the minds of employees who began working after this process since, according to her; Company X does not communicate the same thing now. In general the management agrees that the values are somewhat included in the communication towards employees at the same time as they admit there is room for improvement.
4.1.2.2 Internal Informal Sources of Messages

4.1.2.2.1 Culture

When presenting the culture of Company X, all interviewees described it as being in a process of change. The culture used to be old fashioned, conservative and divided in functional divisions (Interviewee 1, 2010-04-07) a few years ago and is now moving towards having “a strong horizontal team culture, as opposed to a functional hierarchical culture”, as Interviewee 2 (2010-04-07) puts it. Interviewee 4 (2010-04-09) states that Company X has grown fast from a small to a medium sized company, which of course also creates “growing-pains”. However through the growth and change, Company X has succeeded in keeping the caring and considerate culture. Interviewee 3 (2010-04-09) describes a focus on patients, which is emphasized within Company X as a result of how they implement the goal and purpose in their operations. Interviewee 2 (2010-04-07) and Interviewee 1 (2010-04-07) also describe this focus on patients. In addition to being caring and having a patient focus, Interviewee 2 also says that a key component of the Company X culture used to be achieving to a great extent, while the company tries to add a pioneering component to the culture throughout the organization. Interviewee 3 (2010-04-09) continues describing the culture as being warm, open and candor, which the HR-manager Interviewee 4 agrees with. Through her role she gets a broad perspective of the whole company and also emphasizes the importance of the management being open and forthcoming.

While focusing on these organizational traits, Interviewee 2 additionally highlights the importance for the organization of being truly outward looking; that Company X needs to have customer intimacy where employees base decisions on real customer insights.

4.1.2.2.2 Co-worker Influence

The interaction between co-workers at Company X is influenced in many ways. One key organizational change, that will have an impact on Company X’s culture through how and where co-workers interact, is the future change of office buildings, according to Interviewee 4 (2010-04-09), Interviewee 1 (2010-04-07) and Interviewee 2 (2010-04-07). Through this change the company will move from an office structure where most employees work in separate rooms to working in an open environment. This will consequently enable employees to interact naturally to a larger extent (Interviewee 1, 2010-04-07). Interviewee 2 states that Company X has semi-formalized this encouragement of interaction between its employees through adjustments like these. Combined with this move, Interviewee 3 (2010-04-09) also points out that Company X is in the process of changing its structure from a function-based organization to a matrix organization, where employees are divided into teams that work with a specific patient group. In this way, all teams can utilize different competences within the cross-functional team more efficiently. On the other hand, Interviewee 3 also brings up another problem created through this structure. Instead of having difficulties with the interaction between functions, Company X is now “building silos around these patient group teams”.

Further examples of how Company X encourages the interaction between employees are through breakfast meetings, with occasional presentations that often angle informa-
tion from a value and mission perspective (Interviewee 1, 2010-04-07), or through leaders setting examples of behavior (Interviewee 4, 2010-04-09). She demonstrates this with Interviewee 3 as an example, who often takes the time to sit with the employees informally during these breakfast meetings.

4.1.2.2.3 Leaders and Management

As the subject of leadership has been initiated, as authors, we would like to point out that no distinction is made between leaders and managers.

Regarding the selection of leaders in Company X, all respondents agree that it is subjective to some extent.

“The selection is always a bit subjective, but we try to formalize it as much as we can” (Interviewee 2, 2010-04-07).

Interviewee 2 further explains that every employee together with the closest superior agree on an individual growth plan, where the employee has the opportunity to flag what career path he or she aims for within Company X. If the employee wants to have a managerial position the five core competences that Company X looks for are analyzed, combined with the ability to be an informal leader and of course have a record of good results. Interviewee 2 concludes that it does not take long to rise within the company if one can display the abilities and results sought after. Interviewee 3 (2010-04-09) expresses that she believes that leaders in Company X sometimes have been chosen too subjectively and that external assessments need to be done. HR-manager Interviewee 4 (2010-04-09) states that this has now been done in order to get greater objectiveness when choosing among suitable candidates.

Internally in Company X, leaders are evaluated through a 360-degree evaluation where subordinates, colleagues on the same level and supervisors all give feedback (Interviewee 1, 2010-04-07 & Interviewee 3, 2010-04-09). Interviewee 4 (2010-04-09) further states that leaders are encouraged to display an open behavior where they are easily available to employees. The same applies for the top management, but Interviewee 3 sees some inconsistencies in how “open and near” all members of the management are to employees, due to cultural differences.

Regarding the coordination of these cultural and management issues, two of the four respondents answer that these issues are not formally synched. However, since the HR-department is very close to the leadership functions and many leaders take the cultural issues very seriously, Interviewee 2 (2010-04-07) argues that the leadership and the organizational culture are growing together, even if they are not coordinated. Interviewee 4 (2010-04-09) also states that even if the coordination is not entirely visible yet, the usage of different coordinated assessments as instruments for developing leaders and processes will increase this.

4.1.2.3 Formal external sources of messages

Two of the interviewees decide not to answer the questions regarding this area due to a lack of knowledge. This area is not a part of their responsibilities within their positions, and therefore choose not to answer. However, all interviewees except one, initially say
that Company X seldom use advertisement and PR. Interviewee 2 (2010-04-07) explains that Company X does not try to create much PR for the company and even if it supports studies, programs and patient groups with different kinds of sponsorship, Company X seldom communicates this externally. However, PR is used to market specific products. Interviewee 3 (2010-04-08) stresses the fact that this is only made when it comes to products and not Company X as a corporate brand. The values in these market communications might not always be aligned, however the slogan “a promise for life” is always present. Interviewee 2 mentions that Company X supports patient advocacy groups, who themselves use PR and other marketing activities to be able to get attention for their cause, which gives Company X attention as well. Moreover, Interviewee 2 states that he is “not a friend of PR” (Interviewee 2, 2010-04-07). What is communicated, when Company X actually uses external marketing tools, differs regarding to who is targeted. If doctors are the target, Company X uses the name of the product, but when they are communicating to patients they only inform about the diseases and what help they are entitled to (Interviewee 3, 2010-04-08).

There are different opinions within the management whether the core values of Company X are communicated externally or not. Interviewee 3 (2010-04-07) says that the values are indeed communicated externally whereas the other respondents state that only a few of them are. Interviewee 3 further says that there is a lack of consistency in the external communication regarding values and that employees might indeed project the values even though customers label them differently.

“Caring might, for example, be part of how customers perceive us but they would not use that word when describing us” (Interviewee 3, 2010-04-07).

4.1.2.4 Informal external sources of messages

The respondents do not feel that external word of mouth is measured or influenced by Company X. Even if Company X assists and supports events and social projects through sponsorship, it does not perform this in order to create word of mouth around Company X. Instead the company does so to enhance the awareness around various illnesses (Interviewee 2, 2010-04-07). Therefore, informal external communication of Company X is limited. Further, no specific methods are used to lead the communication about Company X or to influence it (Interviewee 1, 2010-04-07).

4.1.2.5 Coordination of sources of messages

Regarding the coordination of all formal internal and external communication and its alignment with Company X’s mission, values and desired brand image, there is an overall communication strategy set by the parent company in Chicago. This includes a brand strategy that is implemented in the five-year affiliate strategy for Sweden, even if there is room for increased coordination of the communication (Interviewee 4, 2010-04-09). Interviewee 1 (2010-04-07) further mentions Company X’s corporate values as a tool they use in order to align communication and express the purpose and overall goal to employees. The four core values are then included in communication to employees through activities ranging from newsletters to dialogue with employees. However, Interviewee 1 also states that the communication of these values is quite subtle and leaves room for improvement. In line with this Interviewee 4 also states that the purpose and
goal are emphasized through both verbal and written communication such as newsletters, monthly letters from the CEO and in daily discussions.

When explicitly asked to what extent all HR-activities are coordinated, Interviewee 4 further explains that the five-year strategy has an overall goal for Company X to become the best place to work in Sweden 2014. This is further divided into the sub-goals of having the “best people, best leaders and an innovative and energizing work environment”. These goals coordinate all HR-activities and are the foundation of the overall plan.

Interviewee 3 (2010-04-09) states that in the internal communication, Company X has lost some focus. Earlier, the values and mission were always present to a larger extent in the general work life and there are many activities today that could be linked more explicitly to the core values, mission and the brand, to make them more alive. When asked about positive examples from today, Interviewee 3 mentions quarterly bonuses that are linked to performance and aligned with certain values. From an international perspective, on the other hand, the communication is well coordinated through the overall strategy. Interviewee 2 (2010-04-07) continues by mentioning Company X’s approval system as a key tool for the coordination of external communication. This concerns all promotional material presented externally, which has to be reviewed and approved by a cross-functional team in the affiliate. However, he further explains a lack of functional brand measurement systems and that it is therefore difficult to know how customers perceive Company X and its values.

4.1.3 Employee Psyche - Psychological Contract and Knowledge of Desired Brand Image

Since our approach of analyzing the psychological contract is unilateral, this part is not used to analyze the employer side of the psychological contract. Instead, this part can be used in order to identify where problems might occur if this thesis finds flaws within the psychological contract among the employees.

According to Interviewee 4 (2010-04-09) Company X does not measure the psychological contract. Different methods are instead used to investigate whether the employees are pleased with the employment situation. Company X does follow up-surveys after two months and interviews after three months, in order to ensure that the newly employed feel that Company X has fulfilled their expectations (Interviewee 4, 2010-04-09). Interviewee 4 believes that the reputation surrounding Company X as an employer is that it is an excellent and caring employer where personal development as well as a friendly environment is offered. Company X is also gaining more recognition, especially among students, since it can offer international career possibilities as well as a caring and open environment (Interviewee 4, 2010-04-09).

Because of the fact that the knowledge of desired brand image refers to the brand image projected by employees, no questions regarding this are asked to the management in the interviews.
4.1.4 Feedback loop

Company X is trying to facilitate feedback and measure key numbers in order to get the full picture regarding its operations. Areas such as customer retention, employee turnover, employee performance, employee satisfaction and to some extent customer satisfaction are measured (Interviewee 1, 2010-04-07). However, most of the feedback is collected within the brand teams. This feedback is conducted by asking questions to customers in order to measure its performance (Interviewee 3, 2010-04-09). With this feedback Company X focuses on the processes and success within the brand teams, but no coordination or comparison between the different brand teams are made systematically (Interviewee 3, 2010-04-09). Further, a lot of time is invested in the preparations, planning and facilitation of employee surveys, but sometimes the findings do not create actions (Interviewee 3, 2010-04-09).

The information gained from these surveys is supposed to be used for analyzing the performance among the employees and to see what can be improved within Company X. This is a continuous process used in coordination with the strategy and is discussed during upper management meetings (Interviewee 4, 2010-04-09). Company X has recently decided to focus on three different performance indexes; market performance, great place to work and an innovation indicator. However, it also measures and evaluates key numbers within the supply chain as well as finances (Interviewee 2, 2010-04-07). Even though Company X has a rather extensive feedback and performance measurement system, the interviewees all agree that this can be improved. Interviewee 2 mentions that he wants a more systematic process to collect and use insights. He especially mentions the fact that infield groups gain a large amount of knowledge through a more direct feedback, but Company X has a hard time collecting and facilitating this (Interviewee 2, 2010-04-07). In addition to the survey process, Company X is also using a customer relationship system where sales personnel can share their experiences and knowledge gained in customer interactions. However, it sometimes seems to be a system with a greater emphasis on input then output (Interviewee 3, 2010-04-09).

4.2 Employee perceptions - Primary Quantitative Data

In this section of the chapter we present the data from the survey that was distributed to employees with customer contact through the different themes with corresponding questions. However, the data is only presented in its original state and not commented on in any way. Therefore it is only mere presentation of the data, and the section could be used for examination and further understanding when reading the analysis of the data. The survey was sent to 98 employees and 26 started to answer. 24 respondents fully completed the survey, which means that the response rate is different for each question. The total response rate of the population is 26.5%. As stated in the method section, questions 1-11 and 14-18 are closed ended according to a Likert scale from one to seven, where one is not at all and seven is to a very high extent. Questions 12, 13, and 19 are open ended and 20 – 24 are biographical closed questions.
4.2.1 Mission and Values

The employee survey is based on the answers received from the interviews and since the management mostly focused on the values of Company X when describing the overall goal, we emphasized the values within the survey. However, all management interviewees described the purpose of Company X as a *promise for life* and a question regarding this was consequently included in the survey. This constitutes the mission part in the primary quantitative data.

4.2.1.1 Mission

The management at Company X defined the purpose of the company as a *promise for life* and employees are asked to indicate how they feel that this statement guides them in their daily work according to the Likert scale. The response count is 26 out of 98 making the response rate 26.5%. The result is presented below in table 4.1:

Table 4.1 To what extent does the statement “A promise for life” guide your daily work? (Q11)

<table>
<thead>
<tr>
<th>1 not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 to a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.5% (3)</td>
<td>12.5% (3)</td>
<td>16.7% (4)</td>
<td>37.5% (9)</td>
<td>12.5% (3)</td>
<td>0.0% (0)</td>
<td>4.2% (1)</td>
<td>4.2% (1)</td>
</tr>
</tbody>
</table>

4.2.1.2 Values

A definition of the core values according to the CEO Interviewee 2 is included in the survey and respondents are asked to indicate to what extent the definitions align with their perception of these values. The response count is 24 out of 98 making the response rate 24.5%. The results are presented below in table 4.2:

Table 4.2 Is this how you have understood these four values? (Q 6)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pioneering</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>4.2% (1)</td>
<td>4.2% (1)</td>
<td>26.8% (5)</td>
<td>26.0% (6)</td>
<td>46.8% (11)</td>
</tr>
<tr>
<td>Achieving</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>4.2% (1)</td>
<td>4.2% (1)</td>
<td>16.7% (4)</td>
<td>37.5% (9)</td>
<td>37.5% (9)</td>
</tr>
<tr>
<td>Caring</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>12.5% (3)</td>
<td>4.2% (1)</td>
<td>8.3% (2)</td>
<td>20.8% (5)</td>
<td>54.2% (13)</td>
</tr>
<tr>
<td>Enduring</td>
<td>0.0% (0)</td>
<td>4.2% (1)</td>
<td>8.3% (2)</td>
<td>8.3% (2)</td>
<td>20.8% (5)</td>
<td>29.2% (7)</td>
<td>29.2% (7)</td>
</tr>
</tbody>
</table>

Further, the respondents are asked to specify to what extent these values are influential in their daily work. The response count is 24 out of 98 making the response rate 24.5% and the results can be seen in table 4.3:

Table 4.3 To what extent are these values influential in your daily work? (Q 7)
4.2.2 Desired Brand Image

The desired brand image is the brand image the management wants employees to project. Since the primary quantitative data is based on answers from employees and not the management the desired brand image is not measured in the survey. However, it is important that employees are aware of the desired brand image and this aspect of the employee process is measured and described in the paragraph named knowledge of desired brand image.

4.2.3 Sources/Modes of Messages

Respondents are asked to what extent the core values of Company X are communicated through the different sources and modes in table 4.4. These sources and modes address different aspects within the theme sources/modes of messages and will be addressed under each specific part of this theme within the analysis. However, the result from each category is presented in table 4.4:

<table>
<thead>
<tr>
<th></th>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pioneering</td>
<td>4.2% (1)</td>
<td>4.2% (1)</td>
<td>16.7% (4)</td>
<td>8.3% (2)</td>
<td><strong>33.3%</strong> (8)</td>
<td>4.2% (1)</td>
<td>29.2% (7)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Achieving</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>16.7% (4)</td>
<td>8.3% (2)</td>
<td>16.7% (4)</td>
<td>25.0% (8)</td>
<td><strong>33.3%</strong> (8)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Caring</td>
<td>4.2% (1)</td>
<td>0.0% (0)</td>
<td>8.3% (2)</td>
<td>12.0% (3)</td>
<td>20.0% (6)</td>
<td><strong>29.2%</strong> (7)</td>
<td>20.8% (5)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Enduring</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>16.7% (4)</td>
<td>20.8% (5)</td>
<td>12.5% (3)</td>
<td><strong>29.2%</strong> (7)</td>
<td>20.8% (5)</td>
<td>0.0% (0)</td>
</tr>
</tbody>
</table>

**Table 4.4** To what extent are the values communicated through the following channels? (Q 9)
4.2.3.1 Formal internal - Human Resource Management Systems

The following categories are those related to the human resource management systems:

- Official presentations
- Internal training programs
- New employee induction program
- Internal awards
- Compensation systems
- Official communication from management
- The employee’s own recruitment process

The respondents are asked to rank according to the Likert scale. The response count is 24 out of 98, making the response rate 24.5%.

4.2.3.2 Formal internal - Public Relations Systems

When asking to what extent the core values of Company X are communicated through internal newsletters and intranet, the response count is 24 out of 98, making the response rate 24.5%. The results from internal newsletter and intranet can be seen in table 4.4.

4.2.3.3 Informal internal - Culture and Co-worker influence

Respondents are asked to what extent the core values of Company X are communicated through informal meetings at the company. The response count is 24 out of 98, making the response rate 24.5%. The result can be seen in table 4.4.

Furthermore, the employees are asked to write three different words that describe the culture at Company X. 20 participants state three words and 2 state two, resulting in 64 associations. 4 participants chose not to write anything. This means that the response rate for answering this question is 22.4%. Figure 4.1 presents the different words from employees without any internal order. Words that are mentioned more than once are bigger in size and the number next to those words represents the number of times the word is mentioned.
Figure 4.1 Please give 3 separate words that describe the Company X CULTURE (Q 12)

4.2.3.4 Informal Internal - Leaders and Management

The respondents are asked to indicate to what extent managers live by Company X’s four core values according to the grading scale. The response count is 24 out of 98, making the response rate 24.5%. Results are presented in table 4.5.

Table 4.5 To what extent do your managers live by these values? (Q 8)

<table>
<thead>
<tr>
<th></th>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pioneering</td>
<td>4.2% (1)</td>
<td>12.5% (3)</td>
<td>8.3% (2)</td>
<td>12.5% (3)</td>
<td>8.3% (2)</td>
<td>29.2% (7)</td>
<td>26.0% (6)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Achieving</td>
<td>0.0% (0)</td>
<td>12.5% (3)</td>
<td>4.2% (1)</td>
<td>8.3% (2)</td>
<td>12.5% (3)</td>
<td>37.5% (9)</td>
<td>26.0% (6)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Caring</td>
<td>8.3% (2)</td>
<td>12.5% (3)</td>
<td>4.2% (1)</td>
<td>20.8% (5)</td>
<td>25.0% (6)</td>
<td>16.7% (4)</td>
<td>12.5% (3)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Enduring</td>
<td>0.0% (0)</td>
<td>16.7% (4)</td>
<td>4.2% (1)</td>
<td>25.0% (6)</td>
<td>20.8% (5)</td>
<td>25.0% (6)</td>
<td>8.3% (2)</td>
<td>0.0% (0)</td>
</tr>
</tbody>
</table>

4.2.3.5 Formal External - Advertising and Public Relations

Through the table 4.4 the survey also asks to what extent the core values of Company X are communicated through Company X’s external communication. The response count is 24 out of 98, making the response rate 24.5%.
4.2.3.6 Informal external - Customer Feedback

Since Company X does not use any word-of-mouth, the respondents are asked to what extent customer feedback is used within Company X. The response count is 24 out of 98, making the response rate 24.5%.

Table 4.6 In your perception, to what extent does Company X make use of customer feedback? (Q 18)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0% (0)</td>
<td>12.5% (3)</td>
<td>12.5% (3)</td>
<td>12.5% (3)</td>
<td>12.5% (3)</td>
<td>25.0% (6)</td>
<td>8.3% (2)</td>
<td>16.7% (4)</td>
</tr>
</tbody>
</table>

4.2.4 Employee Psyche

4.2.4.1 Psychological Contract

The employee side of the psychological contract is measured by first asking to what extent Company X has promised to provide employees with different aspects of the psychological contract and then how well employees feel that the company has provided them with these aspects. The Likert scale is used and the response count is 26 out of 98, making the response rate 26.5%. Table 4.7 shows how employees feel that Company X has promised to provided them with various aspects:

Table 4.7 To what extent has Company X implicitly or explicitly promised you, up to this date, to provide you with? (Q1)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional training</td>
<td>3.8% (1)</td>
<td>3.8% (1)</td>
<td>23.1% (6)</td>
<td>15.4% (4)</td>
<td>26.9% (7)</td>
<td>15.4% (4)</td>
<td>11.5% (3)</td>
</tr>
<tr>
<td>Personal development</td>
<td>0.0% (0)</td>
<td>3.8% (1)</td>
<td>23.1% (6)</td>
<td>19.2% (5)</td>
<td>19.2% (5)</td>
<td>19.2% (5)</td>
<td>19.2% (5)</td>
</tr>
<tr>
<td>Fair salary</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>15.4% (4)</td>
<td>11.5% (2)</td>
<td>23.1% (6)</td>
<td>38.5% (10)</td>
<td>11.5% (3)</td>
</tr>
<tr>
<td>Benefits</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>7.7% (2)</td>
<td>19.2% (5)</td>
<td>19.2% (5)</td>
<td>26.5% (7)</td>
<td>26.5% (7)</td>
</tr>
<tr>
<td>Freedom at work</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>11.5% (3)</td>
<td>11.5% (2)</td>
<td>11.5% (3)</td>
<td>34.6% (9)</td>
<td>30.8% (8)</td>
</tr>
<tr>
<td>Career opportunities</td>
<td>7.7% (2)</td>
<td>3.8% (1)</td>
<td>15.4% (4)</td>
<td>19.2% (5)</td>
<td>19.2% (5)</td>
<td>23.1% (6)</td>
<td>11.5% (3)</td>
</tr>
<tr>
<td>Empowerment (To what extent has Abbott promised you to be able to make your own decisions regarding your work)</td>
<td>3.8% (1)</td>
<td>0.0% (0)</td>
<td>15.4% (4)</td>
<td>3.8% (1)</td>
<td>38.5% (10)</td>
<td>30.6% (8)</td>
<td>7.7% (2)</td>
</tr>
<tr>
<td>Pleasant work environment</td>
<td>0.0% (0)</td>
<td>3.8% (1)</td>
<td>19.2% (5)</td>
<td>15.4% (4)</td>
<td>15.4% (4)</td>
<td>34.6% (9)</td>
<td>11.5% (3)</td>
</tr>
</tbody>
</table>
Table 4.8 shows how employees feel Company X has fulfilled its promises to provide the corresponding aspects from the question above:

<table>
<thead>
<tr>
<th>Aspects</th>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional training</td>
<td>7.7% (1)</td>
<td>16.4% (4)</td>
<td>15.4% (4)</td>
<td>11.5% (3)</td>
<td>30.8% (6)</td>
<td>11.5% (3)</td>
<td>7.7% (2)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Personal development</td>
<td>3.6% (1)</td>
<td>19.2% (5)</td>
<td>11.5% (3)</td>
<td>19.2% (5)</td>
<td>11.5% (3)</td>
<td>23.1% (6)</td>
<td>11.5% (3)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Fair salary</td>
<td>0.0% (0)</td>
<td>7.7% (2)</td>
<td>15.4% (4)</td>
<td>11.5% (3)</td>
<td>11.5% (3)</td>
<td>42.3% (11)</td>
<td>11.5% (3)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Benefits</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>19.2% (5)</td>
<td>3.8% (1)</td>
<td>19.2% (5)</td>
<td>34.6% (9)</td>
<td>23.1% (6)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Freedom at work</td>
<td>0.0% (0)</td>
<td>3.8% (1)</td>
<td>11.5% (3)</td>
<td>7.7% (2)</td>
<td>11.5% (3)</td>
<td>46.2% (12)</td>
<td>19.2% (5)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Career opportunities</td>
<td>11.5% (3)</td>
<td>16.4% (4)</td>
<td>7.7% (2)</td>
<td>15.4% (4)</td>
<td>16.4% (4)</td>
<td>26.9% (7)</td>
<td>7.7% (2)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Empowerment (To what extent are you allowed to make your own decisions regarding your work)</td>
<td>7.7% (2)</td>
<td>3.8% (1)</td>
<td>7.7% (2)</td>
<td>16.4% (4)</td>
<td>16.4% (4)</td>
<td>42.3% (11)</td>
<td>7.7% (2)</td>
<td>0.0% (0)</td>
</tr>
<tr>
<td>Pleasant work environment</td>
<td>0.0% (0)</td>
<td>15.4% (4)</td>
<td>7.7% (2)</td>
<td>15.4% (4)</td>
<td>15.4% (4)</td>
<td>42.3% (11)</td>
<td>3.8% (1)</td>
<td>0.0% (0)</td>
</tr>
</tbody>
</table>

Furthermore, employees are asked to rate whether they think Company X is a fair employer. The response count is 26 out of 98, making the response rate 26.5%.

Table 4.9 To what extent do you see Company X as a fair employer? (Q 3)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>11.5% (3)</td>
<td>15.4% (4)</td>
<td>19.2% (5)</td>
<td>42.3% (11)</td>
<td>11.5% (3)</td>
<td>0.0% (0)</td>
</tr>
</tbody>
</table>

Respondents are also asked to rank to what extent they have fulfilled their commitments to Company X and also to what extent, they feel, Company X has fulfilled its commitments to them. The response count is 26 out of 98, making the response rate 26.5%.

Table 4.10 According to you, how well have YOU fulfilled YOUR commitments to Company X? (Q 4)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>0.0% (0)</td>
<td>3.8% (1)</td>
<td>30.8% (6)</td>
<td>38.5% (10)</td>
<td>26.9% (7)</td>
<td>0.0% (0)</td>
</tr>
</tbody>
</table>

Table 4.11 According to you, how well has COMPANY X fulfilled its promises to you? (Q 5)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0% (0)</td>
<td>3.8% (1)</td>
<td>11.5% (3)</td>
<td>19.2% (5)</td>
<td>26.9% (7)</td>
<td>23.1% (6)</td>
<td>15.4% (4)</td>
<td>0.0% (0)</td>
</tr>
</tbody>
</table>

4.2.4.2 Knowledge of Desired Brand Image

In order to investigate the employee perception of the Company X brand employees are asked to write three different words that describe it. 18 participants state three words and 15 state two. 8 participants choose not to write anything. This means that the response rate for writing three separate words is 18.4%. Figure 4.2 presents the different words from employees without any internal order. Words that are mentioned more than
once are bigger in size and the number next to those words represents the number of times the word is mentioned.

Figure 4.2 Please write 3 separate words that represent the Company X BRAND to you (Q 13)

The employees rank to what extent they express Company X’s four core values when communicating with stakeholders. The response count is 24 out of 98, making the response rate 24.5%.

Table 4.12 To what extent do you express these values when communicating with customers and other stakeholders as an Company X employee? (Q 10)

<table>
<thead>
<tr>
<th>Value</th>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pioneering</td>
<td>4.2% (1)</td>
<td>0%</td>
<td>0%</td>
<td>4.2% (1)</td>
<td>16.7% (4)</td>
<td>37.5% (9)</td>
<td>12.5% (3)</td>
<td>12.5% (3)</td>
</tr>
<tr>
<td>Achieving</td>
<td>4.2% (1)</td>
<td>0%</td>
<td>0%</td>
<td>8.3% (2)</td>
<td>29.2% (7)</td>
<td>33.3% (8)</td>
<td>8.3% (2)</td>
<td>4.2% (1)</td>
</tr>
<tr>
<td>Caring</td>
<td>4.2% (1)</td>
<td>0%</td>
<td>0%</td>
<td>0.0% (0)</td>
<td>20.8% (5)</td>
<td>20.8% (5)</td>
<td>29.2% (7)</td>
<td>12.5% (3)</td>
</tr>
<tr>
<td>Enduring</td>
<td>4.2% (1)</td>
<td>0%</td>
<td>0%</td>
<td>12.0% (3)</td>
<td>20.8% (5)</td>
<td>25.0% (6)</td>
<td>16.7% (4)</td>
<td>8.3% (2)</td>
</tr>
</tbody>
</table>

The respondents are then asked to indicate to what extent they express the associations, they had in regards to the Company X brand, to outside stakeholders. The response count is 24 out of 98, making the response rate 24.5%.
Table 4.13 To what extent do you express the above associations when communicating with customers and other stakeholders as an Company X employee? (Q 14)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.3% (2)</td>
<td>4.2% (1)</td>
<td>12.5% (3)</td>
<td><strong>20.8%</strong> (5)</td>
<td>16.7% (4)</td>
<td>12.5% (3)</td>
<td>8.3% (2)</td>
<td>16.7% (4)</td>
</tr>
</tbody>
</table>

4.2.5 Feedback Loop

How employees perceive the feedback loop is measured with three questions in the survey and they are also asked to share any thoughts of improvement. The response count for the three questions is 24 out of 98, making the response rate 24.5%. First employees are asked to indicate to what extent they feel comfortable in expressing feedback to their superiors and results are presented in table 4.14.

Table 4.14 To what extent do you feel comfortable in expressing feedback to your managers? (Q 15)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.2% (1)</td>
<td>8.3% (2)</td>
<td>4.2% (1)</td>
<td>12.5% (3)</td>
<td>29.2% (7)</td>
<td>25.0% (6)</td>
<td>12.5% (3)</td>
<td>4.2% (1)</td>
</tr>
</tbody>
</table>

Secondly, employees are then asked to indicate to what extent their managers care and make use of the feedback actually provided, which is seen in table 4.15.

Table 4.15 To what extent do your managers care about and make use of your feedback? (Q 16)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0% (0)</td>
<td>16.7% (4)</td>
<td>8.3% (2)</td>
<td>8.3% (2)</td>
<td>29.2% (7)</td>
<td>16.7% (4)</td>
<td>8.3% (2)</td>
<td>12.5% (3)</td>
</tr>
</tbody>
</table>

Third, the last question relating to feedback loop regards to what extent employees know how to give feedback within Company X and the result is presented in table 4.16.

Table 4.16 To what extent is it clear to you how you can give feedback within Company X. (Q 17)

<table>
<thead>
<tr>
<th>1 Not at all</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7 To a very high extent</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0% (0)</td>
<td>12.5% (3)</td>
<td>16.7% (4)</td>
<td>16.7% (4)</td>
<td><strong>25.0%</strong> (6)</td>
<td>16.7% (4)</td>
<td>8.3% (2)</td>
<td>4.2% (1)</td>
</tr>
</tbody>
</table>

The participants were finally also asked to share any thoughts for improvement that they might have. This is a voluntary question in the sense that we ask whether employees have any thoughts or recommendations. The response count was 9 out of 98 making the response rate 9.2%. All comments received are shown in table 4.17 in no particular order.
Table 4.17 Do you have any thoughts or recommendations for improvement concerning feedback in general? (Q 19)

<table>
<thead>
<tr>
<th>Response Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
</tr>
<tr>
<td>Education for managers</td>
</tr>
<tr>
<td>R&amp;D has to be better at a global level to have interest in customer needs</td>
</tr>
<tr>
<td>Listen more and hear what the customers have to say</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>A discussion and feedback session will always improve the daily life</td>
</tr>
<tr>
<td>Customers needs/Sales force interpretation should always be top priority, Bottom up strategy</td>
</tr>
<tr>
<td>more adapt managers</td>
</tr>
<tr>
<td>listen and act</td>
</tr>
</tbody>
</table>
5 Analysis

In this chapter we analyze the data collected in order to answer the research questions. Based upon the theory, we will compare the management’s opinions on how the employee branding process works within Company X with the perception employees have regarding the process and discuss potential discrepancies. The analysis will be done in accordance to the employee branding process themes.

In line with the model (figure 2.1), the themes in the analysis are:

- Organization’s Mission and Values
- Desired Brand Image and Knowledge of Brand Image
- Sources of Messages
- Employee Psyche
- Feedback Loop

Since desired brand image emanates from management and the knowledge of brand image from employees, only the associated data will be used. The findings will then be compared. To clarify, when middle managers are mentioned in the analysis, survey respondents with managerial positions are meant, compared to the management, which refers to the top management of Company X.

In this section, the charts 5.1-5.5, and 5.9 are not modified, but only presents the data in a more visible way. In the charts 5.6-5.8, some data are combined to make the comparison more graphical.

5.1 Mission and Values

According to Armstrong et al. (2005) the mission should be the formulated purpose of the company and should state the overall goal together with presenting the organizational direction and direct decisions. The values are guiding words within the mission statement and according to Urde (2001) there are three different types of values “(1) values that are related to the organization, (2) values that summarize the brand and (3) values as they are experienced by customers” (Urde, 2001 p. 1019). The values should, when presented together, form the value foundation for a corporate brand (Urde, 2001).

5.1.1 The Management View

When comparing overall goal, purpose and values, the management at Company X expresses a greater emphasis on values. Company X’s four core values, pioneering, achieving, caring and enduring, are discussed and described in a very similar way by the management, which indicates a frequency of usage within the management team. Even though the management unanimously described the purpose of Company X as being a
promise for life, the purpose itself is not described as detailed as the values. Furthermore, the management also unanimously described the prevalent theme in the overall goal as patients and good health. There is a clear and joint view of overall goal, purpose and values on the management side that is important since Greene et al. (1994) states that the employee branding process should originate from top-management and then spread to the rest of the organization. In order for the employee branding process to be efficient the messages communicated therefore have to be similarly understood by management in order for them to communicate the same messages. Since the management expresses and articulates Company X’s four core values to a greater extent than the purpose and overall goal, it seems that the management believes the values should guide the operations within the organization.

The overall goal is described as improving the health and life of patients through innovation and science, a description that is very similar to the described purpose mentioned above. This description could be linked to the core values and both the purpose and the overall goal can be seen as extensions of the core values that further indicate that it is the values that constitute the foundation from where the desired brand image should be built.

5.1.2 Employee Perception

To answer the research questions, employee’s view of the core values seem to align with how they are defined by management since a majority of the survey respondents indicated six or more on the Likert scale for all four of the core values, when asked how well the management’s definitions align with theirs, as seen in chart 5.1. Furthermore, employees consider the values to be influential within their daily work since a majority of the survey respondents indicate five or more on the Likert scale for all four of the core values, as seen in chart 5.3. This indicates that Company X has been consistent in its internal communicating of the core values and the meaning of them. This is positive since the brand image should be a direct derivate from the mission and the values (Armstrong et al., 2005). It is therefore imperative that the employees are aware of the meaning of the values and that they are influential within their daily work. As Urde (2001) has stated, one of the types of values that exist are values that relates to the organization and the survey indicates that Company X’s four values are influential within the daily work. This could mean that the core values of Company X are related to the organization.
However, when asked how much the statement a *promise for life* guides employees in their daily work the results were lower than to what extent employees felt that the core values were influential in their daily work. Chart 5.2 shows to what extent employees feel a *promise for life* guides them in their daily work and chart 5.3 shows to what extent they feel that the four core values guide them. If we have understood the management correctly when it describes a *promise for life* and if the connection between a promise for life and the core values exists, then these results indicate that employees do not interpret a *promise for life* the same way management does, in regards to the research questions. This could indicate that there is not a clear connection between the core values and the stated purpose in the minds of employees. This could potentially present difficulties to Company X within the employee branding process since managers and employees interpret the purpose differently.
Chart 5.2 To what extent does the statement “A promise for life” guide you in your daily work?

**Extent employees feel that a promise for life guide their daily work**

![Bar Chart](image)

- 1 not at all
- 2
- 3
- 4
- 5
- 6
- 7 To a very high extent
- No opinion

# of answers

Chart 5.3 To what extent are the core values influential in your daily work?

**Extent employees feel that the four core values are influential in their daily work**

![Bar Chart](image)

- Pioneering
- Achieving
- Caring
- Enduring

1 Not at all
2
3
4
5
6
7 To a very high extent
No opinion

**Summary**
- It seems as if there is an unclear connection between the core values and the stated purpose in the minds of employees.
- Company X has, it appears, been able to successfully communicate its values and the meaning of them.
- There are also indications that Company X has successfully made sure that the core values are influential in the daily work of employees.
5.2 Desired Brand Image and Knowledge of Brand Image

As stated in the mission and values section, in accordance with Armstrong et al. (2005), the desired brand image should be a direct derivative of the mission and values. Hence, following what is stated by the management when explaining its mission and values, the Company X brand image should, according to the theory, be based on its four core values, its purpose *a promise for life* and further express the overall goal of improving the health and life of patients through innovation and science. By using Urde’s (2001) approach, the values, which are quite well internalized in the minds of the Company X employees, should summarize the brand. Moreover, in accordance with Urde (2001), if the values summarize the brand, they should also to a larger extent be transferred to customers and other stakeholders consistently. Finally, in regards to the theoretical framework, Aaker (1996) defines brand equity with four brand asset categories, which are the brand associations, the perceived quality, awareness of the brand and the brand loyalty.

5.2.1 Desired Brand Image – Management View

From the interviews, the management desires its brand image to be is associated with:

- Being the preferred partner and a fellow expertise
- The tagline (and stated purpose) *a promise for life*
- Prioritizing patient health
- Caring
- Innovative
- Differentiated
- Developing the markets and the products

These brand associations are to some extent in line with the mission and values. However, the management does not present a very clear desired brand image during the interviews. Because of the vagueness, we as authors are lead to believe that the management of Company X might not focus very much on building its brand, which could affect to what extent the employees know what the desired brand is. During the interviews, the management also expresses a lack of consistency in the external communication regarding values, which further could lead to an inconsistent brand experience.

5.2.2 Knowledge of Desired Brand Image – Employee Perception

In figure 5.1 below, the different employee brand associations from figure 4.2 have been clustered in common themes and patterns, which eases the process of analyzing. The clustering and patterning have been sorted by us as authors, which is of course highly subjective, but represents how we interpret the responses from employees. However, only 15.3% of all employees that were asked to participate answered, which questions the possibility to draw general conclusions for all employees with customer contact from the findings. Nevertheless, the findings still, to some extent, indicate how the employees see the brand and the analysis will still consequently be performed.
As can be seen from figure 5.1, most words cannot clearly be clustered. However, patterns can be found with some words, emphasizing caring, pioneering, an ethical and responsible pattern and another with words connected to achieving.

### 5.2.3 Discrepancies and comparisons

Most associations that the management expresses can be found, directly with the exact word, such as caring, or indirectly with other words. The striking finding is the spread of the associations and lack of clear categories. Of the 18 respondents providing 51 associations there are only seven words that have been mentioned twice and one word, diversity, that three respondents have answered. The strongest, or maybe the least weak, association is thereby diversity, which is not fully in line with what the management wants the Company X brand to be associated with.

This spread of associations, further indicates a lack of clarity when determining what the Company X brand image is, which could be connected to the management’s vague presentation of its desired brand image. Since the management does not seem to have a clear definition of it, the management will probably not communicate a clear brand image, which thereby results in an unclear brand image in the minds of the employees.

When employees interact with customers and other stakeholders they will convey the Company X brand through their own perception of it. If employees have different perceptions of what the brand image is, then the brand image will be expressed in different
ways from employee to employee. Hence, an inconsistent brand experience will be created in the minds of customers and other stakeholders. The inconsistent brand experience will further make it harder to distinguish the Company X brand and its identity as being different from competitors, which the CEO Interviewee 2 (personal communication, 2010-04-07) expresses as desirable.

In addition, Miles and Mangold (2004) state that a well formulated brand image can define how staff members are expected to deliver customer service. In the case of Company X, with these findings, we argue that the desired brand image does probably not provide any clear guidance. This further indicates that the employees may project an inconsistent brand experience, posed in the last paragraph.

Through the framework of Aaker’s (1996) brand equity model, this inconsistent brand experience could affect the brand equity. If employees at Company X have different perceptions of what the brand is and for this reason communicate inconsistently in relation to each other, this means that customers and other stakeholders will get slightly different associations of the company in interaction with different employees. This inconsistency could mean an irregularity in the perceived quality of the service provided and therefore also affect the customer loyalty. This outcome is also in line with the employee branding process described by Miles and Mangold (2004) and contradicts the desired association as preferred partner and fellow expertise that the management has.

A final reflection on the findings of what the employees associate with the brand Company X, is that the four core values are prominent to a surprisingly low extent. From the interviews as well as the survey to employees, the values have seemed to be a theme that is mostly present. The management gives the impression to emphasize the core values, which the employees from the quantitative data seem to agree with and, at least to some extent, are influenced by in their daily work. It is therefore interesting to see that the associations caring and pioneering only are mentioned twice each and achieving as well as enduring are merely mentioned once. This could further indicate that while the core values are quite successfully internalized among the employees, the management has not been able to effectively transfer and connect them to the brand image.

The management of Company X does therefore neither seem to work enough with packaging and clarifying the Company X brand, nor does it seem to have a clear strategy to communicate it. As stated, our interpretation is based on the management’s somewhat unclear definition of its desired brand image and the large spread of answers from employees. This level of knowledge of the desired brand image needs to be raised for the employee branding process to be an efficient tool (Miles & Mangold, 2004).
In order to strengthen both the brand image and psychological contract among the employees, a consistent and unified communication is vital. Our intention in this section of the analysis is to, in accordance with our research questions, try to analyze how the management works with the sources/modes of messages of the employee branding process and how the employees perceive it. Further, we will, by comparing the qualitative and the quantitative data, try to uncover potential discrepancies between what the management wants to communicate and how the employees perceive it.

5.3 Sources/Modes of Messages

In order to strengthen both the brand image and psychological contract among the employees, a consistent and unified communication is vital. Our intention in this section of the analysis is to, in accordance with our research questions, try to analyze how the management works with the sources/modes of messages of the employee branding process and how the employees perceive it. Further, we will, by comparing the qualitative and the quantitative data, try to uncover potential discrepancies between what the management wants to communicate and how the employees perceive this process.

5.3.1 Internal Formal Sources - Human Resource Management Systems

From the management we see a pattern that the main focus of human resources seems to be regarding the work atmosphere. Company X’s strategy to achieve a “great place to work” is reflecting upon many areas within the organization. The upcoming change of offices will, according to the management, lead to a more open and social culture, better team spirit as well as team work. As Interviewee 2 mentioned (personal communication, 2010-04-07), the organization needs to maintain a multi stakeholder focus and this change might be a good way to achieve that. Throughout the human resource communication, it is also easy to see an employee satisfaction focus. Company X has many awards in order to encourage the employees, as well as a broad and elaborated compensation system. Furthermore, when the management explains the attributes and traits that Company X looks for in the hiring process, a focus seems, to a large extent, to be on softer values such as initiative, ability to be social and work in a team, instead of only focusing on previous achievements and accomplishments.
When it comes to the reward and compensation systems, they do not always seem to be connected to the values clearly enough. The employees seem to differ some in their experiences regarding the amount that the values are communicated. Concerning Company X’s compensation system, 16.7% say that the values are “not at all” or “to a very low extent” communicated. However, 29.2% of the respondents gave it 6 out of 7, meaning that they feel that they are communicated to a high extent. Due to this spread, even if the rating average is 4.14 out of 7, which indicates that the values are generally communicated to some extent, the actual level of communication is hard to interpret. The reason for this spread can be that different areas within the company are more or less compensated with values in mind, or that the employees are connecting the values differently to the compensation system. However, when it comes to the internal awards, the general view seems to be that the values are more communicated through this channel than through the compensation systems. 76.5% of the respondents feel that the core values are communicated 5-7 out of 7. Here, the connection to the values might be more apparent compared to the compensation systems.

Furthermore, some interviewees in the management feel that the compensation systems might sometimes be too individualistically constructed which would interfere with the increased focus on teamwork and the matrix organization.

There are also some potential areas of improvement when it comes to internal training programs since the management only coordinates some of the training within the company. The employees feel that the values are communicated through the training since 84.2% have ranked it with a 4 or better. However, since the training programs are good sources for establishing the desired brand image (Miles & Mangold, 2004), this might be good to include in a coordinated manner. Furthermore, it has been mentioned by the management that some of the training programs are not properly followed up in order to investigate the results of them. Since the results are not always evaluated, this can communicate that the results of the training is irrelevant. This might therefore cause interference with the achievement value since employees might feel that Company X does not care enough whether the training programs are efficient for the organization.

Finally, it is stated by parts of the management that it sometimes follows the gut feeling when it comes to recruitment. This can be negative due to the fact that it can lead to a subjective selection, which might interfere with the human resource strategy.

5.3.2 Internal Formal Sources - Public Relations Systems

Since Company X supports, sponsors and helps different social projects and events to enhance the awareness around various illnesses, this is a great source for Company X to further establish the caring value, as well as the brand image, internally. Promoting these internally can create a buzz and, since it is a goodwill deed, it can create a sense of pride among the employees. It is therefore useful for Company X to promote this internally.

The “Great place to work” award is also a cause to promote internally to enhance the pride among the employees. Enhanced pride for the company can strengthen the psychological contract as well as the brand image.
In our questionnaire we asked whether the employees consider the values to be communicated internally through the formal sources. The sources analyzed are the internal newsletter, intranet and official communication from the management. In general, the values seem to be communicated through these sources to a rather high extent, which might be one of the explanations of why the values are established among the employees.

Chart 5.4 To what extent are the values communicated through the following channels?

5.3.3 Internal Informal Sources - Culture/Coworker

As previously mentioned, the organizational culture of Company X is in a time of change. Company X tries to move from a classical hierarchal company to a more open and horizontal structure. Furthermore, Company X is trying to go from a functional mode of operations to a matrix organization. One step within this strategic change is according to the management the change of offices, where they are changing into an open office atmosphere where a more natural interaction between employees is possible.

Regarding this organizational change, when the management describes the Company X culture, it mentions the attributes achieving, warm, open, candor, caring and outward looking. This correlates rather well to what the employees have answered. Even if the choice of words might differ, the associations are similar. In figure 5.2 we have clustered the employee culture attributes presented in figure 4.1 and the most common associations from employees are related to caring and achieving, such as caring, familiar, warm, funny, human and dedication, financial driven, performance, challenge and “mål-fokus” (goal oriented). With this figure we intend to show the attributes mentioned and how we relate them to each other. It is also interesting to compare this figure with the one created for the brand image associations, since the spread of words is much larger there.
From the interviews, there are some inconsistencies when the respondents discuss which values that are most prominent in the culture. Interviewee 3 (personal communication, 2010-04-09) states that Company X can at times be too caring and not focus enough on achieving. Interviewee 1 (personal communication, 2010), on the other hand, declares that Company X has to much focus on achieving and enduring, which occasionally overshadow the caring component. This could be a potential source of inconsistent communication, since the respondents will probably emphasize different values in their communication. However, it could also just mean that different divisions have had different focus regarding its processes. It might be positive for the top management to try to align these.

According to the survey, the employees generally feel that all four core values guide them in their daily work. Caring and achieving seem to both be the most prominent and influential in the organization, since 75% give them a 5 or higher. However, all medians are 5 out of 7 so the difference between how influential they are in the daily work is small.

5.3.4 Internal Informal Sources - Leaders

As Green (1994) states, employee branding should originate at the top. When it comes to the communication from leaders within Company X, the values seem to be conveyed to a rather high extent. The medians within our survey for the four core values are all
between 4 and 5. However, the employees do not seem to think that the tagline and stated purpose *a promise for life* guides them in their daily work. Of course, this can be true, but since the values are influential in the daily work of the employees, the reason can also be that the connection between the tagline and the values is unclear. The reason for that might be that the connection is not fully established among the leaders or that it does not communicate the connection properly.

### 5.3.5 External Formal Sources

Related to the previously mentioned view regarding *a promise for life*, in order to further connect it to the values and purpose of the organization this must be visible in all communication. As mentioned in the theory, in order for the employee branding process to be successful, the communication needs to be consistent, internally as well as externally (Miles & Mangold, 2004). When communicating externally, the organization still needs to have the employees in mind. Therefore, when making press releases, when designing advertisement and structuring the web site, it must be constructed with employees and the desired brand image in mind. According to our survey among the employees, the sources where the values are the least communicated are on the company webpage as well as in external marketing, so it seems as if there is room for some improvement regarding these areas.

### 5.3.6 External Informal - Customer feedback

If employees receive informal communication in the form of customer feedback, the employees’ brand image can be strengthened (Miles & Mangold, 2004). When asking the employees to what extent they feel that Company X facilitates customer feedback, disregarding the ones who answered “no opinion”, 55% of the respondents answer 5 or better and 75% 4 or better. This indicates that most of the respondents within our survey feel that Company X uses feedback from customers. However, since 30% of the respondents within the survey have ranked it 2 or 3 out of 7, and that the responses are rather inconsistent, it indicates that there might be room for improvement regarding this. Moreover, this can partly be a further explanation to why the brand image associations among the employees differ in Company X.
5.5 In your perception, to what extent does Company X use customer feedback?

As the management proposes, a difficulty can be that there is more input that output in the customer relationship management system Company X uses. This can cause that this feedback never spreads among the employees.

### Summary

- In general, the values seem to be communicated to a high extent throughout the communication channels.
- When Company X supports, sponsors and helps different social projects, it is a great source for Company X to further establish its brand image internally.
- The management’s view of the organization’s culture seems to correlate well with the employees’ perception of it.
- *A promise for life* does not seem to be well communicated from leaders within the organization.
- When communicating externally, the tagline *a promise for life* needs to be more prevalent.
- There might be room for improvement when it comes to collecting and facilitating customer feedback.

5.4 Psychological Contract

Since employees with a strong psychological contract are more likely to project the desired brand image (Miles & Mangold, 2004), this area is important to measure. As stated in both the method and theory chapters, our approach for analyzing the psychological contract is a unilateral approach. Due to this, only the quantitative findings will be used to measure the strength of it. However, the qualitative data will be used in order
to support our reflections and possible recommendations and, if needed, help locate where problems might occur.

The psychological contract consists of many areas, and is established by implicit and/or explicit communication, it is therefore somewhat a result of how the employees perceive parts the employee branding process (Miles & Mangold, 2004). A breach of the psychological contract might be due to discrepancies between what the management wants to communicate and how the employees perceive this.

At a first and general glance of the results from the survey, the employees of Company X seem to have a strong psychological contract. The rating average of what Company X promises to give to the employees, according to themselves, and to what extent the employees feel that these promises are kept, corresponds rather well in the first two questions that are divided into many small sub-categories. In the question “how well has COMPANY X fulfilled its promises to you?”, the rating average is 5, and 65.4% of the respondents rank it 5 or better, which is to be seen as rather good.

However, when analyzing the results more deeply, potential issues can be detected. Since there are different ways a psychological contract can be violated, such as not receiving promotion, not receiving it in the right time or due to the fact that the employees feel that they have over-fulfilled their obligations (Ng & Feldman, 2009), a more thorough approach is needed. Comparing the two general questions; “how well have YOU fulfilled YOUR commitments to Company X?” and “how well has COMPANY X fulfilled its promises to you?”, indicate that there might be some underlying predicaments. As visible in the chart below, some employees seem to some extent feel as if they are fulfilling their commitments to a higher extent than to what extent Company X is fulfilling its promises to them.

Chart 5.6 According to you, how well have you fulfilled your commitments to Company X?

In order to find a reason for this, we have measured eight different areas within the psychological contract. However, in this section of the analysis we will only mention specific areas where we find divergences and patterns that could affect the psychological contract among employees. The areas mentioned are personal development, fair salary
and career opportunities. Otherwise, the findings presented in the previous chapter will be reflected upon in a general sense. Further, all graphs are here displayed with a Y-axis ranging from 1-12, which shows the number of responses, and an X-axis that shows the answering possibilities.

5.4.1 Personal development

Some of the respondents seem to feel that Company X to some extent has failed to live up to their promises regarding personal development. As observable in this chart, 6 of the respondents have answered 1 or 2. This might be an indication that some of the respondents might feel as if this area of the psychological contract is violated.

Chart 5.7 Employee's perception of promises of personal development compared to how they perceive that Company X has fulfilled its promises

---

5.4.2 Fair salary

Generally, the respondents seem to be satisfied with their salary. 53.8% have ranked it 6 or 7, and 76.8% ranked it 4 or better. However, 6 out of the respondents have ranked it 2 or 3, which is lower than the average and might indicate that they are somewhat unsatisfied with this area within their psychological contract.
Chart 5.8 Employee's perception of promises of a fair salary compared to how they perceive that Company X has fulfilled its promises

5.4.3 Career opportunities

Chart 5.9 Employee's perception of promises of career opportunities compared to how they perceive that Company X has fulfilled its promises

When it comes to the measurement of the psychological contract within the respondents, the area of career opportunities is an area where we found a potentially troubling divergence. Even if 34.6% ranked it 6 or better, 26.9% ranked it 1 or 2. This is mentioned by Ng & Feldman (2009) as a common reason for employees to feel that their psychological contract is breached. However, there might be organizational reasons the company has, to not promote the ones it previously, implicitly or explicitly, promised to
Due to changes in the company, previously available positions might have been removed due to downsizing or other organizational strategic changes. Still, it is important to have in mind that it might be dangerous to oversell in a recruitment process. Furthermore, if the management realizes that organizational changes might interfere with previous promises of promotion, they must inform the employees affected to make some kind of mutual agreement.

5.4.4 Overall Psychological Contract

As discussed, a few of the respondents within the survey might have some areas where they to some extent feel that parts of the psychological contract are violated. However, there are also some areas where the promises to the employees have been fulfilled. This indicates that Company X has some areas where it might have an upheld psychological contract and other areas where there might be room for improvement in order to maintain a completely upheld psychological contract among the employees.

To get an overview regarding the psychological contract we asked “To what extent do you see Company X as a fair employer”. The respondents rating averages are 5.27 out of 7, and the lowest score is a 3. This indicates that the respondents in the survey generally feel that the psychological contract is somewhat upheld. However, the ones rating it a 3, might not be totally pleased with the current situation, but since the other 88.5% is somewhat pleased with Company X as an employer indicates that the psychological contract among the employees is generally upheld.

![Chart 5.10 To what extent do you see Company X as a fair employer?](image)

Finally, since Company X after a new employment does, as explained by Interviewee 4 (personal communication, 2010-04-07), follow up-surveys after two months and interviews after three months, in order to ensure that the newly employed feel that Company
X has fulfilled their expectations, it might be good to do the same with all employees occasionally in order to make sure that the employees feel that their psychological contract is upheld.

**Summary**

- There is a tendency that some employees feel that their psychological contract is breached in a few areas; **fair salary, personal development** and **career opportunities**
- However, since 88.5% of the respondents are somewhat pleased with Company X as an employer, it indicates that the psychological contract among the employees is generally upheld.

### 5.5 Feedback Loop

As stated by Miles and Mangold (2004), the feedback loop is a critical component within the employee branding process. The feedback loop is a tool, which can be used in order to measure the impact of the employee branding process and to identify areas of improvement (Miles & Mangold, 2004).

The management at Company X says that it tries to collect and make use of, both internal and external, feedback within the organization. The management further states that most of the feedback is collected and used by each one of the brand teams and that there is little coordination between brand teams in regards to the feedback they collect. Another opinion within the management is that efforts put into the preparations of employee surveys do not correspond to what is actually gained from performing them. Interviewee 2 (personal communication, 2010-04-07) argues that feedback from in-field personnel could be utilized more within other parts of the organization.

The primary quantitative data displaying the employee perceptions indicates that employees feel comfortable in expressing feedback to their superiors, which is positive since the feedback loop is a critical component in the employee branding process. However, when asked to indicate to what extent employees feel that their managers make use of the feedback provided there is a large spread of answers. This is interpreted as an inconsistency regarding how employees perceive the process of collecting and using feedback within Company X.

This same spread is found in the question to what extent it is clear how to give feedback within the organization, which is also interpreted as an inconsistency in the knowledge employees have regarding how to give feedback.

Hence, there is a lack of consistency regarding the perception employees have of how their managers use the feedback they provide, together with an inconsistency in the employee knowledge of how to give feedback. To be able to interpret the data further and identify possible reasons for this inconsistency, we separate the answers of middle managers from other employees, and compared the two. From this comparison, we have
found a difference in how middle managers answer to the two questions mentioned above. In general middle managers feel that their superiors make use of feedback to a greater extent than employees with a non-managerial position.

Chart 5.11 To what extent do managers care and make use of your feedback?

The results shown in chart 5.10 indicate that, in general, middle managers think that their superiors make use of their feedback to a greater extent than other employees do.

The same pattern can be seen concerning how much knowledge employees have regarding how to give feedback within Company X.

Chart 5.12 To what extent is it clear to you how you can give feedback within Company X?
The result in chart 5.11 indicates that middle managers perceive that they know how to give feedback to their superiors to a greater extent than employees without a managerial position.

The findings from the primary data point to the fact that employees feel comfortable in expressing feedback to their superiors, which we interpret as being in line with how employees and the management view the culture of Company X as caring and friendly. The difference in the answers between middle managers and other employees in the other two questions can have many possible explanations. Middle managers might share their direct superior with fewer people due to the fact that they are higher up in the hierarchy, which means that the superior has fewer subordinates to give attention to. Another possible explanation could be that, in general, middle managers have a better understanding of how the organization works due to their managerial position. It could further also be possible that middle managers already have influence within the company and that they therefore feel that their feedback is valued to a higher extent. Another possible explanation might be that employees without a managerial position feel underappreciated and that their opinions do not matter to their superiors. There are some indications on this last comment since a majority of the employees without managerial positions answered on the lower end of the Likert scale in both questions. However, the most distinct indication we get from the results is that the feedback loop is better utilized between top management and middle management than between middle management and other employees.

In regards to the research questions, the management states that there is little coordination between feedback that different brand teams collect. The inconsistency in how employees have answered the questions concerning feedback can also indicate that feedback is performed differently within each brand team. This can however not be measured due to the low survey response rate. The survey respondents do not represent an equal spread from the different teams, which makes the data less valid if filtered. Moreover in regards to the research questions, the management further states that the surveys distributed to employees could be better utilized. This could be another explanation to the inconsistent data from the survey regarding how employees feel that their managers make use of their feedback. Another possible reason for why there is an inconsistent result could be the low response rate, since there is simply too few respondents in order to get a viable result.

Since the feedback loop is supposed to identify areas of improvement within the employee branding process (Miles & Mangold, 2004) the fact that it does not seem to be a consistent knowledge of how to give feedback among employees, is obviously negative. Furthermore, since there is inconsistencies in how employees think their managers make use of their feedback further to some extent prevent Company X to efficiently utilize a feedback loop.
Summary

- The data indicates that employees feel comfortable in expressing feedback to their superiors.
- There is an inconsistency in the data regarding how employees feel that their feedback is used and considered by their superiors.
- There is also an inconsistency in employees’ knowledge of how to give feedback within Company X.
- Middle managers seem to be more knowledgeable of how to give feedback than other employees.
- Middle managers, in general, also seem to think that their superiors consider their feedback to a greater extent than what other employees think.
- A reason for the discrepant data from middle managers and other employees could be the inherent qualities and knowledge needed for the different positions, such as knowledge of feedback systems and level in the corporate hierarchy.
6 Conclusion

In this chapter, our main conclusions from the study will be presented in the light of our research questions, which lead to a fulfillment of the stated purpose of the thesis. Thereafter, reflections on the findings will be discussed, followed by a clarification of what contributions the thesis presents to Company X, to other companies and to the academic area of employee branding. Finally, the chapter will give suggestions to further research.

6.1 Conclusion - The Employee Brand

Based upon the analysis of the findings it can be concluded that the management has succeeded in implementing the four core values in the minds of employees throughout the company to a fairly high extent. Company X has, through what seems as a rather consistent communication, managed to express clear definitions of their values, which the employees seem to understand and are influenced by to a quite high extent in their daily work. However, the purpose of Company X, articulated as a promise for life, is not as influential to the employees as it is to the management, where a discrepancy consequently has been found. In combination with the successful implementation of its values, this discrepancy shows that the values are predominant in the communication from the management and further indicates that the management has not succeeded to connect the values with its purpose well enough.

Since the brand image should be a direct derivative of the mission and values, this should be the foundation of Company X’s desired brand image. The management does not seem to have focused well enough on its brand image, since it presented a somewhat unclear definition of what the desired brand image is and of how the management works with it. A large spread of associations was consequently also found in how the employees perceive the brand and the connection to Company X’s mission and values was rather weak. This will lead to an inconsistency in the brand image projected by the employees, which further will affect the brand equity negatively through inconsistent associations, leading to shifting perceptions of quality and therefore lower customer loyalty.

From the various sources of messages within the company, one main finding is the clear connection between the stated and perceived culture and values, where the caring and achieving components are most significant. It appears as Company X utilizes its different sources of messages efficiently regarding the communication of values, but it should focus more on establishing a clear brand image, unmistakably connected to the values and purpose. There might also be room for improvement when it comes to collecting and facilitating customer feedback.

Since 88.5% of the employees are somewhat pleased with Company X as an employer it indicates that the psychological contract among the employees is generally upheld. However, in the areas of salary, personal development and career opportunities, some respondents have expressed minor breaches in their individual psychological contracts.

Regarding the internal feedback loop in Company X, the data indicates that the employees in general feel comfortable in expressing feedback to their superiors. Nevertheless,
there were inconsistencies regarding how employees feel that their feedback is used and clarity of how to give feedback. This suggests that the feedback loop between middle managers and employees with non-managerial positions appears to work less efficient than between middle management and top management.

To use the employee branding process as an efficient tool, the key is to utilize its different various sources of messages and internal feedback as links to establish a clear employee brand. Since the psychological contract was found to be generally rather strong, but the knowledge of the desired brand image was quite low, the findings suggest that the employees are willing, but not entirely able, to project the desired brand image. Consequently, through understanding how Company X works with the employee branding process we can conclude that it masters many of the process components to a high extent. However, in order to utilize the process efficiently and create a clear employee brand, it needs to define the desired brand image with obvious connection to its core values, package it clearly and communicate the brand consistently to raise the knowledge of the desired brand image. When this has been done and the level of knowledge of the desired brand image is raised, Company X will, since the psychological contract is generally upheld, use the employee branding process efficiently.

6.2 Discussion

As stated the biggest need for improvement within Company X’s employee branding process, as we see it, is the definition and communication of the desired brand image. As we have indicated in the analysis, the values seem to be somewhat connected to the management’s view of the desired brand image. Whereas the core values are well formulated and implemented in the organization the brand image seems to be undefined and inconsistently communicated to employees. In order for Company X to deal with this problem we believe that it should start by defining the desired brand image within the management team with a close connection to the core values.

Thereafter, Company X should establish a strategy for communicating the brand image where the employees are educated in what the Company X brand is, what it stands for and how it should guide them in their interactions with customers and other stakeholders. Even if the process of defining and communicating the desired brand image can be done in different ways, we give two alternative suggestions to approach this. One approach through which Company X could define and implement a desired brand is from the bottom and up, since it engages the employees and is in line with how the management would like Company X to operate. Consequently, focus groups with employees could be arranged, where they are given the task to define the desired brand image in regards to the core values. Another alternative for Company X can be to appoint brand ambassadors within the existing staff from the various departments. The brand ambassadors could then work with implementing the desired brand image within their specific departments by influencing and teaching their co-workers. Moreover, they could monitor that the values and the brand image is present in the relevant communication towards employees and how the brand should guide employees in their interactions with customers and other stakeholders. Regardless if any of these alternatives are chosen, or if Company X chooses to merely use its ordinary sources of messages, employees need to be taught what the desired brand image is, how they can project the right
image and how it should guide them in interaction with customers and other stakeholders

Because of the low survey response rate, the findings’ empirical validity might be questioned. For this reason we have been careful in drawing any absolute conclusions from the findings. Even though the response rate is low the data still gives an indication of the employee perception, which we have pointed out in the analysis. Another weakness is in the method of the thesis, which is that we did not perform any observational research. Research question one regards the way the management works with employee branding and the thesis investigates this through interviews with members of top management. However, by only conducting interviews the results are subjective since the perceptions of the interviewees might not align with reality. The observational approach described in the method chapter could be used as a complement. This would elude the problem with subjectivity and give the research a third dimension by investigating the management’s view of how it works with the employee branding process, what it actually does and how the employees perceive it. However, due to time and resource limitations existing within the scope of a bachelor thesis, an observational approach is disregarded.

Another weakness of the thesis connected to the issue with subjectivity is the lack of secondary qualitative data. We have not examined the written communication Company X distributes to employees and other stakeholders, such as newsletters, press releases and introduction packages. In order to perform a proper analysis one has to collect a large number of various written material from a long period of time. Because of time and resources restraints connected to the purpose of writing a bachelor thesis we have chosen to focus on the interviews and the survey.

The employee branding process model (figure 2.1) is, to the best of our knowledge, the only model dealing with the entire employee branding process. However, this presents another weakness in our thesis since we have not carried out any cross-comparisons between different alternative models. In order to add some critical components in regards to the employee branding model, some reflections are presented. We believe that there should be a feedback loop between the themes employee brand image and desired brand image. This means that the employee brand image should be evaluated and compared to the desired brand image directly and not only through the outcomes linked to employee brand image, as the model currently suggests. This might, according to us, create a more responsive brand management process since there is continuous alignment between desired brand and employee brand.

6.3 Contribution

Since primary research has been conducted with Company X employees the results are mostly applicable within Company X’s organization. However, the method that has been used in order to investigate the employee branding process might be applicable on other companies. For instance, company with a desire to investigate its employee branding process might find our approach useful. In regards to contribution to the academic field this thesis will hopefully develop the understanding of the applicability on the employee branding model within organizations. The actual findings are, as we state above,
mostly related to Company X and are in the contribution to the academic field not central.

6.4 **Further Research**

The employee branding process model includes the various outcomes of the process. Due to reasons mentioned in the thesis, these outcomes are not measured in the context of Company X. Further studies could build on this thesis and expand the research conducted and include outcomes as well. Furthermore, this thesis has focused on employees with customer contact due to their immediate impact on the customer perception of the brand but since the employee branding model concerns all employees further research could include all employees.

As stated above, a possible complementary alternative to the approach of interviewing the management could be an observational approach. If an observational study would be conducted, it might present a more objective picture of how well Company X uses the employee branding process.
References


7 Appendix

7.1 Appendix 1

Interview with management of Company X

Interview questions

Formalities:

- Purpose of the research
- Interviewees right not to answer
- Process of interview
  i. General market and organizational questions
  ii. Mission, values
  iii. Desired brand image
  iv. Sources of messages
  v. Psychological contract
  vi. Feedback systems
- Our meaning of the word “employees”

- Name:
- Position:
• Time at position:

General market and organizational questions

1. In general, how does Company X mainly market itself and what is your stated marketing strategy.

2. Could you briefly describe the sales process in Company X?
   a. What kind of service does Company X offer customers during and after the sales process?

3. When and where do customers and important external stakeholders come in contact with the Company X brand?

Mission

4. How would you formulate the purpose of Company X?

5. What is the overall goal?

6. Relating to the purpose and overall goal how would you say these guide Company X in its operations?

7. How does management project the purpose and goal to employees?

8. What is Company X’s mission statement?

9. Is the mission statement and what it includes known by employees?

Values
10. What values represent Company X?
   a. Please define the values.
   b. Do these align with what is communicated externally?
   c. From a customer perspective, what do these values add to the customer experience?

11. How are these values communicated to employees?
   a. How are these values applied in the daily operations?

12. According to you, are there any other values that should be communicated to employees?

Desired Brand Image

13. How do you think your customers perceive Company X?

14. How does Company X WANT the brand to be perceived? Associations?

Sources of messages

General:

15. Through what sources of information would you say that Company X employees encounter the desired brand image?

16. What attempts does Company X make to ensure that all communication is aligned with stated mission, values and desired brand image and is, furthermore, consistent over time?
Formal internal sources of messages:

17. Through what formal internal sources of messages does Company X communicate?
   a. Recruitment? What personality traits?
   b. Training and development?
   c. Internal formal HR documents? Coordination?
   d. Reward and compensation?
   e. Performance management systems? Goals?
   f. Evaluation of employees?

18. Concerning all these HR activities, is there some kind of overall strategy that coordinates all of them?

Informal internal sources of messages:

19. Describe the organizational culture of Company X.
   a. Informal interaction managed or encouraged?

20. Leadership in Company X?
   a. Training?
   b. Measurement criteria?

21. Coordination in cultural and management issues?

Formal external sources of messages

22. To what extent is PR and advertising used, and what is generally communicated?
   a. Through what channels?
   b. Who is targeted? (Externally/Internally)
c. How is this coordinated with what is communicated internally?

**Informal external sources of messages**

23. Is word of mouth in any way measured or influenced by Company X?

**Feedback loop**

24. What outcomes are measured and how is it used?

25. How does Company X collect and make use of feedback in the organization?

**Psychological contract**

26. Please describe Company X as an employer?

27. When it comes to employment agreements, what, if any, separates Company X from its competition?

28. In employment process, what do you promise to give your employees?
   a. According to you, to what extent do you keep these promises?

29. What attributes describe the behavior expected of Company X employees with customer contact?

30. What do you do to keep employees within the organization?
7.2 Appendix 2

Survey sent to employees at Company X

This survey is constructed in order to investigate the shared view Company X employees have regarding internal values, company brand, internal communication and employee/employer expectations.

This will take approximately 10 minutes and results will be used in a bachelor thesis at Jönköping International Business School in cooperation with Company X.

No attempts will be made to identify survey participants or to link answers to a certain person. The results will be provided at an aggregate level.

This survey is distributed to all employees with customer contact at Company X Sweden

We appreciate your participation and sincerity when answering

1 To what extent has Company X implicitly or explicitly promised you, up to this date, to provide you with:

   Professional training: (1-7)
   Personal development (1-7)
   Fair salary (1-7)
   Benefits (1-7)
   Freedom at work (1-7)
   Career opportunities (1-7)
   Empowerment (To what extent has Company X promised you to be able to take own decisions regarding your work) (1-7)
   Pleasant work environment (1-7)
To what extent has the organization lived up to its promises to you regarding:

- Professional training: (1-7)
- Personal development (1-7)
- Fair salary (1-7)
- Benefits (1-7)
- Freedom at work (1-7)
- Career opportunities (1-7)
- Empowerment (To what extent are you allowed to make your own decisions regarding your work) (1-7)
- Pleasant working environment (1-7)

To what extent do you see Company X as a fair employer? (1-7)

According to you, how well have you fulfilled your commitments to Company X? (1-7)

According to you, how well has Company X fulfilled its promises to you? (1-7)

The General Manager Interviewee 2 defines Company X’s four core values as:

- **Pioneering** - Come up with new and innovative approaches and solutions that add value to customers and processes
- **Achieving** - Desire to be successful (goal and achievement oriented organization) and have impact
- **Caring** – Genuinely care for patients, customers, society and for each other.
- **Enduring** - Manage sustainably and create value for tomorrow

Please use these definitions when answering the following 5 questions regarding Company X’s values.
6 Is this how you have understood these four values? (1-7)
Pioneering
Achieving
Caring
Enduring

7 To what extent are these values influential in your daily work? (1-7)
Pioneering
Achieving
Caring
Enduring

8 To what extent do your managers express these values? (1-7)
(For the purpose of this survey a manager is defined as a person with formal or informal leadership responsibility who directly or indirectly influences the content and time lines of your work deliverables, the way you can make decisions and your work place.)
Pioneering
Achieving
Caring
Enduring

9 To what extent are the values communicated through the following channels?
Home page
Internal newsletters
Official presentations
Informal meetings
Intranet
Internal training programs
New employee induction program
Internal awards
Compensation systems
External marketing
Official communication from management
Your own recruitment process (if you remember)

10 To what extent do you express these values when communicating with customers and other stakeholders as an Company X employee? (1-7)
   Pioneering
   Achieving
   Caring
   Enduring

11 To what extent does the statement “A promise for life” guide your daily work? (1-7)

12 Please give 3 separate words that describe the Company X CULTURE.

13 Please write 3 separate words that represent the BRAND Company X to you.

14 To what extent do you express the above associations when communicating with customers and other stakeholders as an Company X employee? (1-7)

15 To what extent do you feel comfortable in expressing feedback to your managers? (1-7)
16. To what extent do your managers care about and make use of your feedback?

17. To what extent is it clear to you how you can give feedback within Company X? (1-7)

18. In your perception, to what extent does Company X make use of customer feedback? (1-7)

19. Do you have any thoughts or recommendations for improvement concerning feedback in general?

Closing Questions
At this stage of the survey it is further emphasized that no attempts will be made to identify survey participants or to link answers to a certain person. The results will be provided at an aggregate level.

20. Age
- 29
- 30-39
- 40-49
- 50-59
- 60-

21. Time at Company X?
- < 1 year
- 1 – 2 years
- 2- 5 years
- 5-10 years
- 10-20 years
- 20- years
22 Managerial position?
   Yes
   No

23 Sex
   Male
   Female

24 Division
   AI
   ADD
   ADC
   AV
   Other
Dear colleagues,

we are supporting three NOVA 100 students Erik, Mikael and Niclas from the University of Jönköping who are writing their thesis on employee branding at the example of Company X Sweden.

While they will be able to apply their theory on a real case, we benefit from getting an assessment on where we stand as a company in leveraging ourselves as ambassadors to build and promote the Company X brand in Sweden and what we could do better in the future.

After having done in depth interviews with some employees, they like to get more quantitative data with a 5-10 minutes survey.

It would be great, if you could invest these minutes to answer the questions by clicking on the link below until the end of this week.

http://www.surveymonkey.com/s/Questionnaire_Company_X_JIBS

The survey is absolutely anonymous.

Brand team leads, please send this email to your brand team members.

Thank you very much for supporting the project.

Best regards
Dear colleagues,

we are supporting three NOVA 100 students Erik, Mikael and Niclas from the University of Jönköping who are writing their thesis on employee branding at the example of Company X Sweden.

While they will be able to apply their theory on a real case, we benefit from getting an assessment on where we stand as a company in leveraging ourselves as ambassadors to build and promote the Company X brand in Sweden and what we could do better in the future.

After having done in depth interviews with some employees, they like to get more quantitative data with a 5-10 minutes survey.

It would be great, if you could invest these minutes to answer the questions by clicking on the link below until Wednesday this week at 18:00.

http://www.surveymonkey.com/s/Questionnaire_Company_X_JIBS

The survey is absolutely anonymous.

Thank you very much for supporting the project.

Best regards