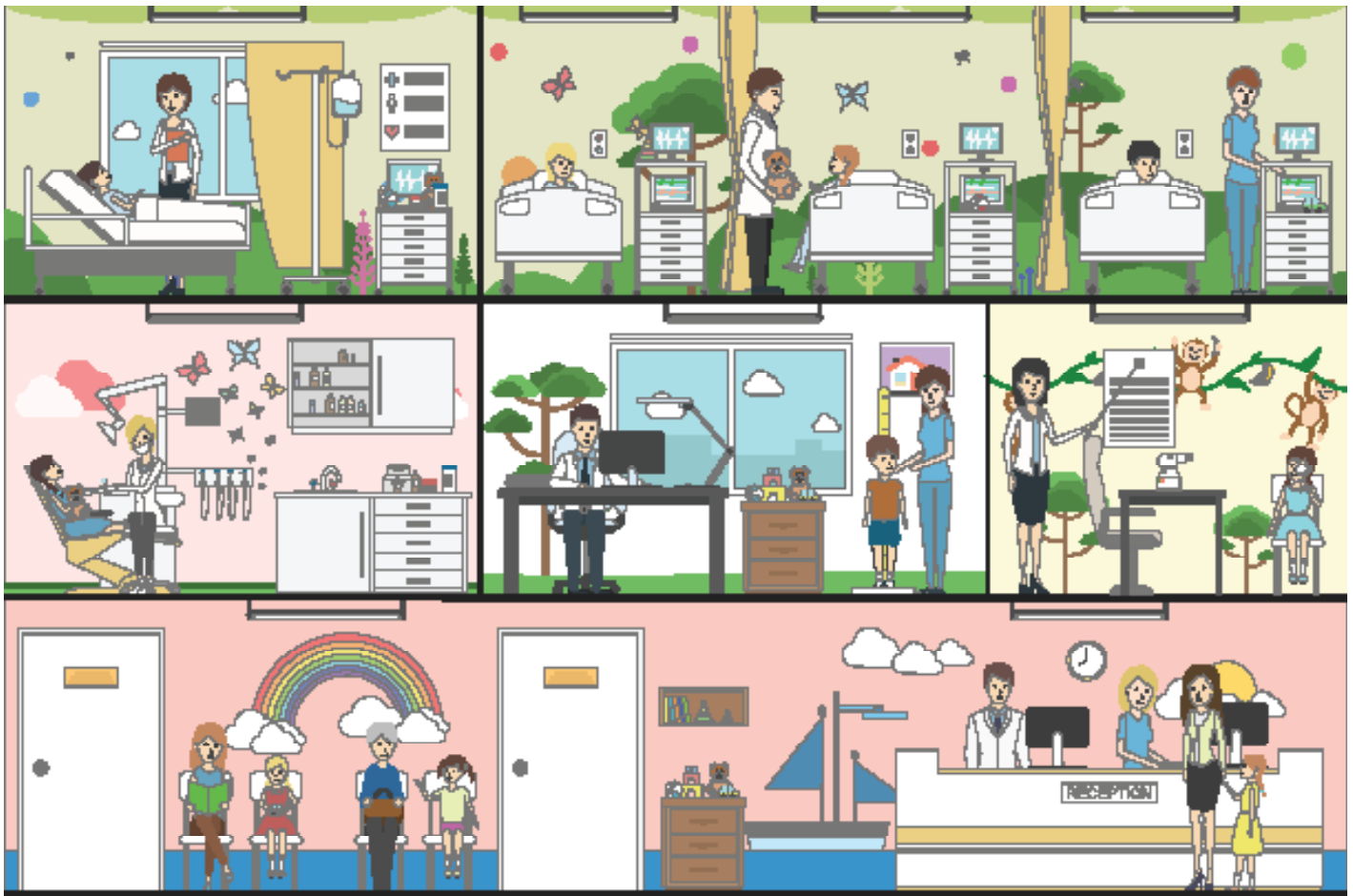


Case Study: Stanford Children's Health

Applying Consumerism to the HR Landscape: A Corporate Brand Promise Delivered Through Recruitment Strategy

By Ekta Vyas and Jarard E. Paige



The health care industry is witnessing an era of growing consumerism, creating a compelling need for health care facilities to undertake competitive strategies to stay and excel in the marketplace. Along with preparing for the multidimensional shift in the health care delivery model, health care facilities also need to prepare themselves to compete in a candidate-centric talent market that has a relatively small pool of qualified health care professionals. Such an industry scenario makes a compelling case for health care organizations to create not only a value-driven, distinguishable brand image targeted to their consumers but also an equally effective value proposition and employer brand image for attracting, retaining and engaging talent.

Our corporate rebranding journey started around 2012. As a reputable and well-established academic children's hospital in the heart of Silicon Valley, our biggest challenge was not

bringing a languishing brand back to life. It was about maximizing the strength of the *Stanford* brand, which is already incredibly powerful but underutilized, to create distinct consumer brand awareness for the dedicated and fast-expanding pediatric and obstetrics health care system beyond the regional hospital market we are well known in.

Delivering on the brand promise in a service-based industry is far more complex than just linking the employer brand with the organization's identity. Bringing the consumer brand to life is contingent upon a concerted effort by its people—the service providers—who must ensure that every customer “touch-point is aligned with the brand ethos of the organization” (Mosley, 2007). As such, an additional challenge for us was to transition away from a joint employer identity for the adult and pediatric hospitals under the Stanford University Medical Center (SUMC) brand and reposition our employer

presence as a preeminent pediatric hospital while retaining our deep ties to the larger Stanford Medicine brand.

From 2012 to 2015, the Corporate Marketing team stayed focused on evolving our new brand of Stanford Children's Health (SCH)—an enterprise including not just the core hospital facility, Lucile Packard Children's Hospital Stanford (LPCHS), but also the 60-plus specialty and primary care offices located across the Bay Area. At that time, in addition to aligning the employer brand to the newly emerging consumer brand, the Talent Acquisition team worked on strengthening the recruitment systems and processes in support of a recruitment marketing strategy targeted to develop a solid talent pipeline for our upcoming hospital expansion.

Although the role of employer brand in the structure of consumer brand is critical for delivering on the brand promise, the mechanics to integrate human resources and marketing efforts can be challenging to achieve (Chimhanzi, 2004). This case study describes the strategic partnership undertaken by the HR and marketing functions of a preeminent pediatric health care system to ensure that the organization's repositioned corporate brand is supported by a solid employer brand, while effectively integrating its talent acquisition and retention strategy with its business growth strategy.

Organizational Context for Shifting Strategic Direction

The unprecedented change witnessed by the health care industry in recent years has given rise to an aware and proactive health care consumer population that demands better access to appropriate settings and a continuum of care that is focused on pay for value, maintenance, and improvement of health, rather than on diseases and episodes of care. In children's hospitals, revenue pressures are more pronounced and multiple priorities challenge expense control. As a freestanding children's hospital with a sole focus on pediatric and obstetrics care, we have a unique role given the relatively small number of children in the bay area. To grow and succeed in a sustainable way, we expanded our network into the greater Bay Area with both primary and specialty care facilities as well as partnerships with other institutions.

The transformation of hospital-centric acute care entities into widespread, integrated systems managing patients' health across the entire continuum of care creates additional pressure for proper brand positioning in health care. The intrinsic value derived by a health care brand can be very different across patients, employees and physicians. Multiplicity of providers, doctors and specialties pose a challenge for establishing a brand architecture that is capable of driving brand consistency across diverse stakeholders.

According to Les Lifter, our chief marketing officer, the consumer perception of our brand is one of our biggest challenges. "For all the strengths associated with the Stanford name—intellectual and clinical excellence, preeminence, and thought leadership—there are also key limitations and misperceptions that need to be addressed, such as being confined to Palo Alto, unaffordable, and providing care only for the sickest patients. The challenge is how to overcome the noise in the marketplace to clearly communicate the value

of bringing a world-class Stanford expertise to children and mothers across Northern California and the Western United States."

The Talent Management Challenge

Lack of alignment between a corporate and employer brand is a recipe for failure. In the context of health care, the operational and interpersonal complexity associated with a multi-disciplinary service brand creates a significant challenge for the talent management function to attract, onboard and engage the workforce to deliver consistently on the brand promise (Mosley, 2007). According to the Bureau of Labor Statistics, the health care industry is projected to witness the highest job growth across all industries from 2014 to 2024. While this situation sounds promising for the growth of the industry, the progressive tightening of the health care labor market and the dearth of highly skilled talent creates additional pressure on health care employers to not just fill open positions, but also to hire for good cultural fit targeting sustained workforce retention and engagement (Gruzd, 2017).

Our location in the heart of Silicon Valley increases the complexity of hiring process due to key external market forces, including high costs of living and lengthy commutes. The competition for non-clinical talent from technology giants such as Google and Apple, and the growing local and national health care competition for high-acuity care clinical jobs mandates an employer brand image distinguishable and powerful enough to set the organization apart from its competition and prepared to handle the high-volume recruitment coming our way with the planned 2017 expansion of our hospital facility. Greg Souza, our chief HR officer, believes that "the transition to the SCH brand has enhanced our ability to recruit, since we can now focus entirely on the advantages of employment at a pediatric hospital and the distinct culture in our pediatric environment."

Establishing a Common Purpose and Culture: Vision 2025

By the end of 2014, we had repositioned ourselves from a strong regional pediatric hospital to a world-class network of care. Our corporate brand campaign goal now was to raise consumer awareness about our extended network and increase preference, volume and market share. Executive leadership spearheaded a collaborative effort with multiple stakeholders to refresh our vision and mission statements. Vision 2025 was launched in January 2015—a brand promise to our patients and ourselves about what we stand for and where we want to be.

One of the biggest challenges for organizational re-branding efforts is aligning the new brand to the culture of the organization and motivating employees to "live the brand" (Maxwell and Knox, 2009). For the success of our internal branding campaign, it was necessary to create a common vision and language across HR and marketing to ensure that our culture is aligned with the desired customer brand experience. Responding to the nature of partnership between HR and marketing in the internal branding campaign, Souza states, "A major win in the relationship between HR and mar-

keting has been the recognition that communicating to our internal audience is a shared responsibility and needs effective coordination between the two areas. Our partnership has helped to consistently identify opportunities for improvement in our enterprise communication strategy and execution, as evidenced by two successful leadership forums, executive roundtables, CEO forums and intranet redesign.”

The internal branding effort was a big success! After the successful launch of Vision 2025, Christopher Dawes, chief executive officer, stated in his follow-up message, “Although our heart and soul have not—and will not—change, we are becoming a different organization. It’s time to transition to our new reality . . . think differently . . . and operate as more than a hospital, as a health care system for the Bay Area and beyond.”

Our Employer Branding Journey

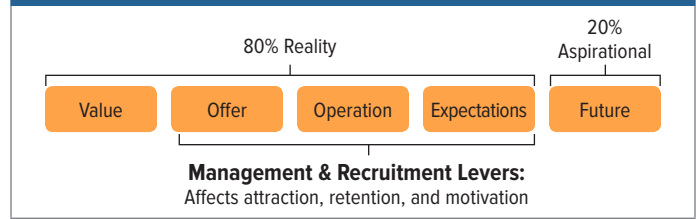
Brand messaging, especially consumer brand messaging, often focuses heavily on aspirations rather than realities. Brands want to connect with the dreams and desires of their audiences. While this may work well with consumer brands, it can feel flat and disconnected for employer brands. To be effective and believable in an increasingly competitive staffing environment, employer brands must match the realities that employees live and breathe within an organization (Maxwell and Knox, 2009). When asked how the “people” of the organization fit into his consumer brand strategy, Lifter states, “Our people are the heart and soul of our consumer brand strategy. The most compelling elements of our brand messaging are the stories we tell about our people, our teams, and their impact on our patients and their families.” At the start of 2013, as a separate entity from a previously shared brand with the adult hospital, we started the journey to build our employee value proposition (EVP) and key messaging aligned to our long-term vision and the newly emerging corporate brand.

Defining the Employee Value Proposition

As work on the employee value proposition (EVP) began, it was clear that setting foundational expectations would be key to building consensus and alignment. The most important of these expectations is that the EVP is our promise to our people, including both current and future employees. It is more than a tagline or a brand statement; it is a description of the realities of working at the organization, as well as the aspirations for the future (Gaddam, 2008). Leveraging blended models from the consumer brand development space, we settled upon a fundamental platform to build our EVP, consisting of five key components: value, offer, operations, expectations and future. The first four components (or 80 percent) of the EVP are based on the current realities, while the final component (or 20 percent) of the EVP is aspirational. This key insight guided us away from focusing too heavily on taglines and aspirational messaging and toward uncovering the current voice and realities of the organization.

In partnership with J. Elliot Marketing and using the five components of the EVP, we completed an external communications review of our primary competitors through the lens of

EVP STATEMENT COMPONENTS



how well they communicate each of these components. Not surprisingly, we began to identify notable gaps in the competitive communications landscape. While consumer brands are adept at hitting strategic messaging points, this is where gaps generally exist for employer brand messaging. Reasons for this often include misaligned messaging between HR and corporate marketing, lack of transparency in describing the realities of the workplace and lack of resources for cultivating messaging over time (Mosley, 2007).

Our research showed that only two of seven primary competitors scored an EVP messaging rating higher than 50 percent. While competitors may have touched on the key components of EVP, their messaging either lacked depth within each key component or was not aligned throughout their external communications. It soon became clear that we could address a key gap in communications in our competitive landscape: connecting the external messaging with the internal realities.

Employee Engagement Insights

A key insight that evolved during the EVP development process was a shift in employee engagement benchmarking. After employee engagement surveys are administered, results are shared primarily based on their position relative to industry benchmarks. This is helpful, but on its own it does not give an organization a full picture of its internal environment. It lacks the ability to align the culture with consumer brand, and is primarily focused on attributes sought by potential employees and not the realities of the current workplace (Maxwell and Knox, 2009). Contextual analysis thus becomes imperative. Once we identified the four key components of our EVP, we were able to clearly communicate our offer and our expectations—known as our “give and get.” From that point on, we were able to utilize our employee engagement data to verify

Employee engagement insights: Results from mapping to EVP

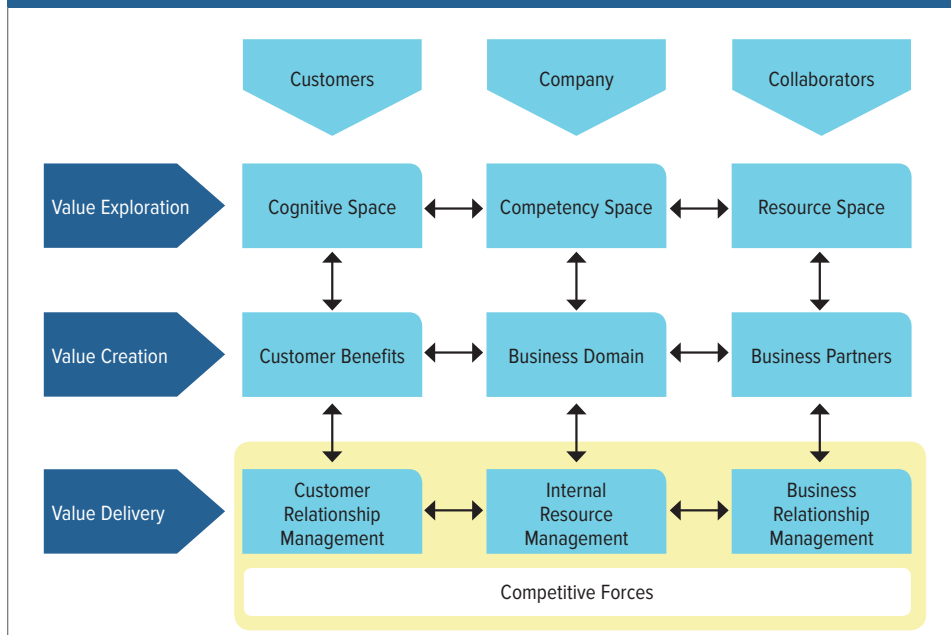
In 2015, the organization used its most recent employee engagement survey results to set internal targets for evaluating its employer brand messaging against its internal realities. Each of the four EVP categories were mapped to specific questions on the engagement survey, with stretch targets set against percentage of affirmative responses. Two years later, the organization administered its next full engagement survey and found positive trends across all 4 EVP-mapped questions.

EVP category	Average percentage point increases (2015–2017)
Competitive rewards	↑ 6 points
Development opportunities	↑ 6 points
Challenging, meaningful work	↑ 4 points
Respect for ideas	↑ 2 points

our internal realities and assess trends over time.

Six months later, we completed the first step in the process of creating our employer brand identity. We launched our new careers website with messaging aligned across our consumer and employer brands. Through the EVP process, we identified messaging within each key component that spoke to both the consumer and employee perspectives of the brand. “It’s critical that our employer brand platform match our external consumer messaging. While our brand can (and should) have multiple elements to address our different audiences, both external and internal, we can only have one brand” states Lifter.

SESSION 2: HOLISTIC MARKETING FRAMEWORK



Recruitment Marketing Strategy: Partnership for Hospital Expansion Begins

Our initial work on EVP focused on value exploration and creation. As we transitioned into building a long-term recruitment marketing strategy specifically tied to the launch of the expanded facility, the focus shifted to defining value delivery from an employer brand perspective. In terms of customer relationship management, our goal was to increase candidate volume at the top of the talent acquisition funnel (i.e., all actions prior to application).

This involved a complete reengineering of our talent acquisition processes and system, including revamping our application process and application tracking system (ATS) to reduce the application time from 45 minutes to less than 2 minutes, automating all job boards and social media channels, and using advanced analytics to set targets and track quarterly progress. After the launch of the new careers website, we were able to expand our use of social marketing channels to increase site traffic and boost signups to the talent network component of our ATS. As a result of our employer branding efforts and enhanced ATS capabilities, we saw a 13 percent increase in applications per requisition since the launch of the new website, overall site traffic increases of between 54 to 120 percent (accounting for seasonal variations), and 10 percent or more quarterly increases to the talent network. These more detailed analytics now allowed us to segment hires by job board, sources and social media, thereby providing more actionable data for targeted recruitment plan development.

We also identified two key opportunities within the internal resource management space. Given the length and significance of the hospital’s major recruitment campaign, it was clear that the team needed a central figure and internal resource to manage the campaign’s integrated marketing efforts. But beyond simply managing the campaign, the role required a “people marketing” translator—someone who

understands both HR and marketing and can help translate the needs, vision and challenges across both groups. Patricia Carpinelli joined the HR team in the fall of 2016 as the recruitment marketing project manager, and her first major task was re-launching the organization’s employee referral program (ERP).

Turning Employees into Recruiters

Beyond employee engagement metrics, a successful ERP is a very effective way to measure if the organization’s external message is meeting the internal reality of the workplace. In just the first two months, the re-launched ERP received 500 referrals—approximately one referral for every six employees. This has resulted in an increase from hiring one-fourth of ERP referrals to hiring nearly one-third. Candidates use up to 12 sources during job searches and social media is a key channel to enhance the candidate journey (Advisory Board, 2016). Expanding our social media presence beyond LinkedIn helped expand our reach, reinforced our employer brand message and increased employee engagement online by allowing employees to amplify job opportunities to their networks. The ERP, in combination with the focus on building the talent network, has provided the organization with a surge in new candidate traffic.

Patricia, a seasoned marketing professional from a non-HR background, spent most of her initial months meeting with corporate marketing and translating recruitment strategies into marketing tactics. “Consumer marketers can access extensive research to support consumer experience journeys. This isn’t true in HR. The candidate journey is a relatively new concept with less information available to inform audience insights and behavior – both online and offline. In addition, the HR healthcare candidate pool is exceptionally diverse, which presents challenges in messaging and targeting,” Carpinelli states.

Internal branding, employee engagement and the like

have traditionally been seen as HR-led functions and have been heavily focused on using push communications to sustain impact (Mosley, 2007). As a result, employees of service-based organizations often feel that they are being guided to project a reality of their work environment that is inconsistent with their day-to-day operations. HR can and should lead the organization in the development of its employee-based

EMPLOYEE REFERRAL PROGRAM: RE-LAUNCH RESULTS & INSIGHTS

500+ referrals in first 2 months after re-launch

1 referral for every **6 employees**

30% of hires through ERP after re-launch

60% of employees indicated primary reason for referral participation is to help a friend or family member

communications and branding, but it should not be done in a vacuum. When the focus moved beyond aligning the consumer and employer brands to include increased hiring needs for the hospital expansion effort, it became clear that HR needed to expand its collaboration with internal business partners using clear goals and metrics as a strategic guidepost.

Business Partner Management

As the strength of the consumer brand grows, the employer brand becomes more attractive in the marketplace (Mokina, 2014). This symbiotic relationship is one that must be actively and strategically managed between HR and corporate marketing. However, to meet the needs of a growing organization, it's imperative to identify and integrate other organizational functions to ensure operational alignment for key strategic initiatives. Carpinelli, who meets with the corporate marketing and hospital transformation teams weekly, says "this consistent communication enables effective collaboration. We can be responsive to changes as they happen."

In addition, as the employer and consumer brands evolve, HR is able to share employee engagement and valuable web analytics data with corporate marketing to ensure that two brands grow together to match customers' needs and the realities of the workplace. "There is a great opportunity to leverage similar messages associated with the consumer brand in the employer brand, since our ability to provide world-class pediatric care is a strong selling point from a recruitment perspective," explains Souza.

A Brand to Address the Demands of The Future

An organization with strong integration between marketing and HR can learn from and adapt its processes to plan, recruit, and develop talent in support of its long-term strategy (Maxwell and Knox, 2009). As positive as the outcomes of our four-year journey have been, it has not been without its share of insights, limitations, and lessons learned. Perhaps the most important insight during our collective journey was the recognition that each of our internal teams (mar-

keting, HR, and hospital transformation) had similar yet separate objectives. Each team was driving the organization toward being prepared for the launch of the expansion with a strong brand presence, but each team's specific objectives and timelines were different. To achieve success, we needed to recognize this difference and find ways to support each other at different stages in our respective timelines. "Though department goals may be separate, we are all working with focused dedication toward fulfilling our vision and opening our new campus," says Dawes. "Together, we're devising innovative solutions along our path to change the way health care is delivered."

Despite remarkable improvement in our systems and data analytics, the data did not always fit seamlessly with the complexity of the situation or the decision at hand. Judgment calls had to be made based on the available information and limitations at the time. It helped that we dedicated significant time to understanding our customers (employees), collaborators and company culture prior to engaging heavily with our internal partners.

While our journey to keep strengthening our employer brand continues into the future, we have the people, processes and technology in place to successfully recruit for the hospital expansion and weather the changes that will inevitably occur along the way. As Lifter states, "We simply need to be patient with our progress. New brands are not built overnight. ... The good news is that we're building off of a strong foundation in the Stanford name. But we will need to stay disciplined and continue to leverage our brand positioning and core strengths to effectively build the Stanford Children's Health brand." ■■

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