

CREATING MEANINGFUL CONVERSATIONS WITH PEOPLE DRIVES LEO BURNETT'S SUCCESS



Leo Burnett Worldwide is one of the world's largest and most awarded creative communications companies, with 96 offices in 84 countries and more than 8,500 employees worldwide. Leo Burnett, a HumanKind communications company, has a simple and singular approach: Put a brand's purpose at the center of communications to truly connect with people. Website: www.leoburnett.com

Few companies, if any, create global conversations like Leo Burnett Worldwide (LBW).

Just about everyone knows a memorable line that came to life within the walls of a Leo Burnett office. Maybe you've been warned that "Mayhem is everywhere" (Allstate Insurance) or encouraged to "See the difference you can make" (Earth Hour). Perhaps you've heard that "They're Grrrrreat!" (Kellogg's Frosted Flakes cereal) or "I'm lovin' it" (McDonald's). And just about all of us have been asked, "Are you in good hands?" (Allstate).

Each of these slogans was brought to you by the creative team at Leo Burnett.

Founded in Chicago during the Great Depression, Leo Burnett is a global communication company recognized as one of the top advertising agencies in the world. The agency employs 8,500 people who work out of 96 offices located in 84 countries worldwide.

As a global company, LBW has always been about creating good conversation. In fact, Leo Burnett himself said, "In this agency business, we are people talking to people and that's what we should keep running through our fingers."

Bottom line, Leo Burnett cares about people. This outlook is at the heart of everything the company does, from the creative work that made them famous to the marketing plans they help clients design, develop and execute. This people-focused way of thinking also applies to the 8,500+ "Burnettters" who contribute to the agency's success.

Ultimately, the desire to articulate this unique mindset motivated LBW's leadership to develop the agency's HumanKind philosophy, which drives every aspect of the business.

"It was the agency's purpose to transition from traditional advertising to creating acts that have a significant, meaningful purpose in people's lives," said Mark Tutssel, Leo Burnett Worldwide Chief Creative Officer. "One of the phrases we use is 'From Ads to Acts.' Rather than creating and developing one-way communication and intruding on people's lives with messages that sell a specific product, we have conversations with people to show how brands have a significant role to make a positive difference in people's lives. The difference between advertising and an act is that an act makes a difference in somebody's life."

One example of this philosophy in action is Earth Hour, which raises social awareness for the planet's natural resources and encourages people all over the world to conserve energy by turning off their lights at the same time for an hour. Another example is a campaign designed to help African women stay in school by raising donations through the purchase of feminine products.

Agency executives believe Leo Burnett is only as good as its people, so their goal is to attract, hire and motivate the best talent. They also want HumanKind to become an even greater influence on the business, not only in the dialogue it creates but in how the company communicates with and engages its people.

THE CHALLENGE: USING CULTURE TO DRIVE PERFORMANCE

Leo Burnett started to apply HumanKind to their work in 2008, with some offices adopting the philosophy more rapidly than others. Agency executive leadership teams were, and continue to be, encouraged to apply HumanKind because they believe this is the right thing to do—and over time, this would set the company up for long-term success.

“We needed a way to communicate to our offices around the world that HumanKind was an important global initiative to which our agencies needed to pay attention,” said Sidney Chapon, Executive Vice President, Leo Burnett Worldwide Operations, People and Culture. “We needed to convey that HumanKind wasn’t a flavor of the month initiative—it was here to stay—and we needed every agency in our global network to support the global strategy.”

Leo Burnett wanted to measure the degree to which HumanKind was changing the way its people worked and how that impacted business success. “If something doesn’t get measured, it generally does not get done,” Chapon said.

Since the agency was already measuring employee engagement through an annual survey, the best solution was to add HumanKind-related items to the survey.

“HumanKind distinguishes us from other agencies and elevates Burnett to be an employer of choice,” Chapon said. “Individuals are no longer necessarily looking for simply a place of employment. People are looking for opportunities that are aligned with their personal purpose in life and look for organizations that help fulfill both their personal and company’s values. HumanKind enhances our employee value proposition. When an individual’s purpose is aligned with a company’s purpose, it’s a wonderful thing.”

THE SOLUTION: LISTENING TO YOUR PEOPLE

Leo Burnett has worked closely with Kenexa, an IBM Company, for nearly a decade to understand how the company’s people impact the agency and the world around them. This relationship has evolved into a partnership in which both companies work closely together and take what they’ve learned to design a complete, comprehensive employee engagement survey. This provided LBW with an ideal opportunity to trace the link between the adoption of the HumanKind philosophy and the performance of their business.

Kenexa’s solution provided LBW executives a way to obtain an accurate reading of how HumanKind impacts key performance indicators by including a number of HumanKind-related survey items to its existing global annual People Survey.

“We weren’t sure of the degree to which HumanKind was taking root across our global network, and we needed a way to measure the extent local agency teams were supporting it,” Chapon said. “That’s why we included questions about HumanKind. It provided us some data points as to how HumanKind was being applied within each individual agency and would also provide us a read on how HumanKind impacted our business.”

Leo Burnett introduced Kenexa’s employee engagement survey in 2006 to provide its people the opportunity to offer their thoughts and perspectives about working for the agency. LBW goes to great lengths to ensure each voice is heard, translating about 3,000 open-ended

comments into English so agency leadership can receive and act upon all feedback.

Over the years, Burnetters have seen the value of taking an annual engagement survey—that’s why it’s still going strong. Completing the survey is voluntary, yet the agency consistently celebrates an annual response rate of approximately 85 percent or more because people know it is a chance to make their voices heard. In fact, participation rates have risen 12 percent in six years.

“As we continue to listen to our people, we will continue to see better creative, financials and better engagement results,” Chapon said. “The data proves it. When we invest in HumanKind and take the time to talk to our people and provide the necessary resources to apply HumanKind, we have positive results.”

The longstanding relationship between Leo Burnett and Kenexa has grown to the point where agency executives view Kenexa’s consultants as part of their team. The consultants work closely with a core group from LBW to look for ways to grow the business by maximizing the workplace experience.

Each year Kenexa tailors the survey to measure what matters most to Leo Burnett, then helps the agency link survey results to business outcomes (i.e. creative awards, financial performance, and talent retention). Once the survey has been administered, Kenexa’s consultants work with LBW to evaluate the results and provide the leadership team with a concise, easy-to-understand deliverable, offering insight into current engagement levels, historical trends, external benchmarks and linkage to key business metrics.

“To get an understanding of the content and be able to put it in the context of your business and the industry, you need to have a long-term strategic partner, and that’s what we have with our people survey,” Chapon said.

THE RESULTS: BENEFITS OF CULTURAL ALIGNMENT

Retaining key talent is a priority at Leo Burnett and the annual people survey reveals that engagement was the top predictor of turnover. Turnover rates across LBW are 8.2 percent lower in the offices with the highest engagement levels. As a result, the agency saves substantial annual recruitment costs.

Engagement levels typically rise when company executives can easily explain the vision they have for the business and provide a roadmap for how get there. This future vision is one of the six main drivers of engagement as discovered by Kenexa’s normative data, based on years of employee survey research.

Overall engagement levels at Leo Burnett have increased at a steady rate—seven points in seven years—thanks in part to the agency’s focus on HumanKind.

"You can get great creative work and great financial results, but if you can't get people to follow you, that does not make you a great leader," Chapon said. "What makes you a great leader is providing an innovative and creative work environment in which people thrive and want to follow you and help the agency achieve success. When that happens, the creative and financial results follow."

By analyzing Leo Burnett's historical data, Kenexa was able to demonstrate a correlation of offices that actively encourage innovation and challenging work with better financial results. Offices that foster this innovative and challenging environment were 2.2 times more likely to meet their margin goals.

HumanKind emerged as the top predictor of "Best Agency Score," which is a combination of financial and creative metrics that Leo Burnett uses to select its Agency of the Year. Taking it a step further, the extent to which local agency leadership actively promoted HumanKind was the top predictor.

Executives who actively supported HumanKind had stronger agencies in the areas of retention, financials and creative awards. The difference between agencies that performed well on HumanKind and those that didn't was roughly 3.5 points. Improvement in this area can be the key to meeting margin goals and being more widely recognized for creative work.

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The Kenexa Factor

an IBM Company

Challenge

Leo Burnett needed a solution that would measure the link between business outcomes and the extent to which each agency adopted HumanKind. This linkage needed to show ways the philosophy impacted performance so that executives could measure its value to the overall success of the business.

Solution

Leo Burnett implemented Kenexa's people engagement survey and used it to link financial and creative results with the company's overall vision and goals.

Results

- LBW discovered that agencies that are more aligned to the company's philosophy perform better both financially and creatively, resulting in better growth and recognition for the company.
- Overall engagement scores have improved, which has impacted the bottom line.
- Turnover rates in the highest-engaged agencies were 8.2 percent lower than other agencies, saving the company substantial annual recruitment costs.