

How building Marketing Capabilities has enabled Shell to recruit more for less

Doubling the results, at less than half the cost

Marketing Society Awards for Excellence 2009

Category I: Marketing Capability/Organisational Change

Shell Recruitment Marketing submission



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Executive Summary

Our objective

The world currently faces a step change in demand for energy and a pressing need to identify new sources to meet this demand. In 2006 Shell created a business strategy focussed on this challenge – and to deliver the strategy, the Recruitment Team was asked to double the number of new recruits it attracted, from 2,697 in 2005 to 5,440 in 2006, and to more than treble the three year picture: from circa 4,000 recruits to 14,000 by 2008.

The scale of our task

We had to persuade large numbers of high quality people to change their perceptions of the Shell employer brand, and convert them into hires. Our brand equity was weak, we had no clear employer brand proposition; our recruitment team was internally focussed, operated in silos, and was not oriented around its customers: the candidates. We needed excellent marketing skills and processes, but as a team with a predominantly HR background that represented a major capability development challenge.

Key results

We have pioneered the use of Marketing approaches to support organisational change – and by doing so have gained competitive advantage and delivered excellent results:

- We more than doubled the number of recruits in 2006, exceeded our targets in 2006, in 2007 and in 2008: attracting 1.66 million applicants to the Shell employer brand and recruiting 14,272 new employees.
- We did this while delivering impressive cost-efficiencies: our cost per recruit fell each year, and in 2008 was only 41% of the 2006 budget.
- We improved the customer i.e. 'candidate' experience, and developed a motivating employer brand proposition.
- We strengthened our team's skills – enabling people to take on marketing roles in other parts of the organisation – and motivating our team by our concerted investment in their skill development.



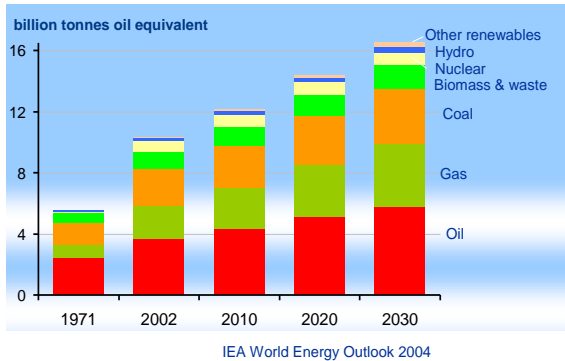
The issue we faced

We recognise three hard truths.

1. There is a step change in the demand for energy, as the world population soars, and the geography of demand shifts eastward.
2. Energy supply will struggle to keep pace. There is a race to identify new, sustainable, sources of energy.
3. Environmental pressures are increasing. We need to find responsible energy solutions.

Addressing these truths, and growing our business, requires an ambitious business strategy, delivered by an expanded, talented, workforce.

World energy demand 1971-2030



A People-Centred Map of the World



Since 2006, Shell's business strategy has emphasised finding more and different types of energy. People are a key enabler of this strategy, and an unprecedented Capex investment has been accompanied by an emphasis on recruitment. We need large numbers of new highly skilled employees, in highly demanded disciplines such as engineering and finance, and in new and competitive geographies like India and China.

The business set us challenging targets:

In 2005 we had recruited 2,697 employees. In 2006 our target more than doubled, to 5,440 new recruits.

The three year picture is even more pronounced: 14,000 new recruits were needed between 2006 and 2008. Less than a third of that, 4,151, had been achieved in the previous 3 years, 2003-2005.

It was the job of the recruitment marketing team to attract these new employees, and convert them to choose the Shell employer brand over other multinational competitors.



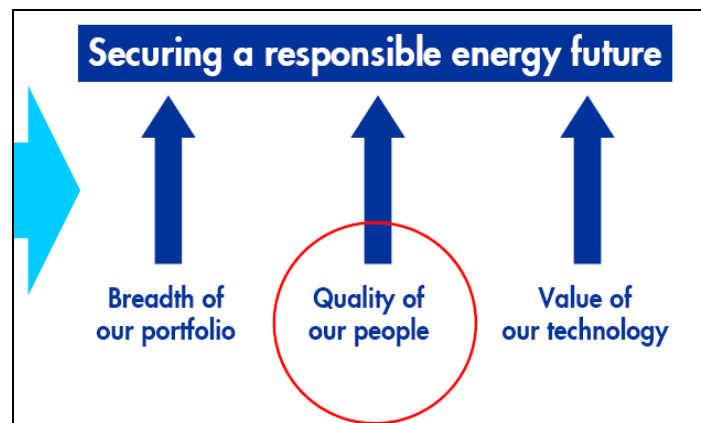
It was a massive challenge: Shell's employer brand equity was weak, we had no employer brand proposition much beyond salary packages, and our customers, potential candidates, were ever more demanding: the best being spoilt for choice as the recruitment market had grown hugely competitive (McKinsey's *War for Talent*).

We had to double our results – whilst reducing our costs. The business expected us to demonstrate cost-effectiveness and maximise its return on investment.

We faced a classic marketing dilemma, **"In the face of strong competition and weak brand equity, how can we cost-effectively recruit double the number of new customers?"**

To respond to that question we needed to build sharper marketing skills and approaches.

But we were not a classic marketing team. We worked in HR and many of us had HR backgrounds. While some steps had been taken to introduce marketing disciplines with a Marketing Planning process (described in a commended 2006 Marketing Society paper), we recognised the need to step-change marketing capabilities, rapidly, if we were going to meet our stretching goals. This paper describes what we did next, and how the next stage of the capability journey drove impressive improvements in marketing effectiveness.

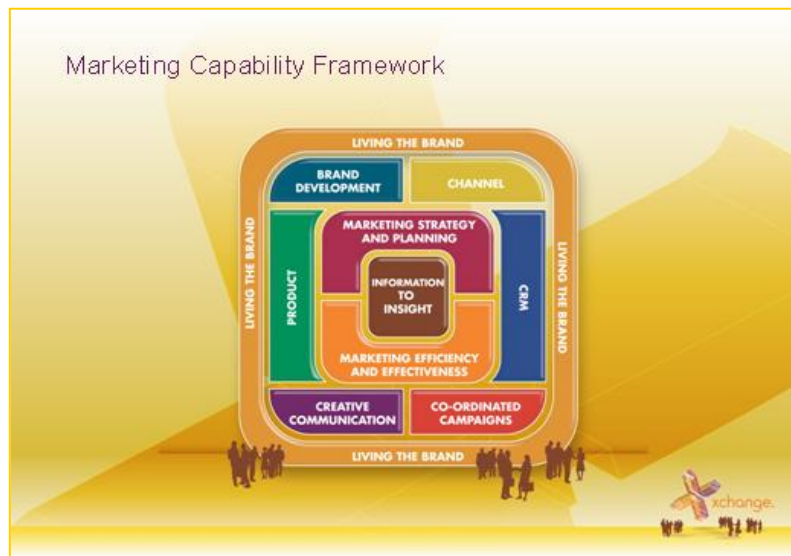


The solution we delivered

We knew that to meet the new challenge we needed to step change the marketing capabilities of our team. Working with the specialist marketing capability consultancy Brand Learning, we created a pioneering capability programme Shell 'xchange': a blend of marketing skills development, process creation, and knowledge management - for non marketing specialists.

Understanding Development Needs

Our first step was to create a marketing capability framework which identified the skill areas needed to deliver our business strategy. Our analysis generated ten areas which we prioritised to develop a marketing capability plan.



By interviewing business stakeholders within and outside of marketing, and by analysing the issues raised in the new Marketing Plans, we identified two capability priorities:

1. To create a motivating customer [candidate] experience, driven by insight, which would help us retain candidates and deliver a better return on investment. This involved several capability areas: from Insight to Co-ordinated campaigns.
2. To develop and learn how to leverage a differentiated brand positioning which allowed us to attract the best candidates with relevant and differentiated benefits (reducing reliance on factors like salary).



1. Creating a motivating candidate experience

A motivating candidate experience from the moment someone hears about Shell to the moment they have joined us, requires a co-ordinated approach across all the recruitment disciplines. It is not enough to ensure that marketing communications are insightful – marketing, operations, recruiters and line managers all need to work together. To do this required a leap from our typically 'Shell-centric' perspective, to becoming 'candidate-centric'. That may sound obvious, but for an operation with 300 people, working on 5 continents and receiving up to 600,000 applications each year, it was no easy feat.

We began by defining the candidate journey, applying a classic brand funnel approach to the world of recruitment. At a workshop run with members of each recruitment discipline, we built understanding of the importance of candidate-centricity, and then developed a Candidate Journey model, which is now described as "the bedrock of our business approach".



Having developed the overall journey, we identified the key moments of truth, insights into candidate needs at these moments, and assessed how well we addressed them. This was new territory for an HR team – and the marketing concepts and tools we used to build our capabilities at each stage of this journey proved invaluable.

We then invested in a series of marketing capability initiatives to improve the candidate experience:

- We changed our organisational structure to put candidates first. Instead of operating in separately managed functions based on specialism (marketing, operations and recruiting), we created one function – Recruitment – with strategic, structural and cultural emphasis on collaboration and joint ownership of the candidate experience.
- We refined and standardised processes to ensure cross-functional alignment along the candidate journey, with clarified roles and responsibilities to avoid duplication or candidates being 'lost'.
- We developed a web site and learning programme to help embed the processes and candidate-centred philosophy.
- We set clear KPIs in the areas that mattered to candidates, and established the 'Candidate Experience Survey' to measure performance and identify improvements. These became core KPIs on a 'Recruitment Dashboard'.

A practical example:

Research demonstrated that candidates found our process frustratingly slow – particularly between being assessed and receiving an offer. Several would drop out at this point, switching to more agile competitors.

We had previously justified our slowness by referring to the number of Shell stakeholders involved in hiring decisions and the number of candidates we needed to review. Now however, we challenged ourselves to overcome internal constraints, and improve the candidate experience. In Europe this was a particular issue for graduates. From 2007, when they had to wait an average of 81 days between final assessment and receiving an offer, we reduced this by 50% to 39 days by 2008, and our candidate satisfaction significantly improved.



2. Developing a differentiated brand proposition

The second capability we needed was developing a differentiated brand proposition and the skills to leverage it effectively.

Working with Brand Learning, we built shared understanding of what makes an excellent brand, and embarked on a process to identify what we wanted Shell to stand for in the hearts and minds of our customers – employees.

We commissioned qualitative and quantitative research in six countries to probe people's attitudes towards Shell as an employer, studying both internal and external audiences. Based on the insights this generated, we created an Employer Value Proposition (EVP) for graduates, with a new brand idea, validated in further research and then rolled out globally.

The rollout process involved enhancing the marketing capabilities of several thousand employees. All marketers needed to understand the proposition, why it was important and how to use it in their markets. However to be effective, it also needed to be understood across the business. We had to build brand understanding among all involved in recruitment – from engineers in Aberdeen to lawyers in Malaysia. We delivered this with an extensive multi-channel programme including virtual classrooms, conferences, and brochures.

We followed the successful implementation of the graduate EVP with the development of an EVP for 'experienced' professionals in 2007/08 – tailored to a different target audience with different motivations and expectations.

Our EVPs were then actively used to develop new communication campaigns, refine recruitment tools and processes, and to guide the messages everyone gave candidates.

To ensure we managed costs effectively, we introduced the 'Ad Creation Tool' which allowed local markets to create tailored versions of the global campaign using a simple website. It ensured the new EVP was consistently communicated to candidates without incurring excessive creative agency costs. Markets could tailor messages and use targeted channels which, we learned, delivered better quality applications, and reduced costs per recruit compared to national press on which we had previously relied.





Welcome Nimai Swaroop, to Shell Attraction & Recruitment Online Toolkit

Help | Log Out

Help Area

Help

1. Toolkit Overview
2. Asset Library Help
3. Order Materials Help
4. Online Promotion Help
5. Adbuilder Help
6. Ad Management Help
7. Contact List

- Ensure you have pop-ups enabled to use this site.
- Use site navigation not your browser controls to navigate this site.

News

- RMT Adbuilder Work Flow Diagram**
21-07-2008
- Experienced Hire Advertising Catalogue**
19-05-2008
- Promotional Items Catalogue**
31-12-2011
- Online Toolkit User Notes**
22-07-2008




| Graduate Toolkit | Professional Toolkit | Internal Toolkit |
|---|--|---|
| Graduate Adbuilder Create Adverts for Publication <ul style="list-style-type: none"> ▶ Graduate Asset Library Photography, Audio and Video Resources ▶ Graduate Online Material E-cards and Web Banners | Experienced Adbuilder Create Adverts for Publication <ul style="list-style-type: none"> ▶ Experienced Asset Library Photography, Audio and Video Resources ▶ Experienced Online material E-cards and Web Banners | Internal Adbuilder Create Adverts for Publication <ul style="list-style-type: none"> ▶ Internal Asset Library Photography, Audio and Video Resources ▶ Internal Online Material E-cards and Web Banners |
| Promotional Material Order Printed, Exhibition and Promotional Material | Ad Management Edit and approve adverts | Advertising Request Form If you need to create an ad but are unsure how to use the tool |




2008 Graduate Campaign communicating Shell's EVP

TECHNICAL & COMMERCIAL GRADUATES

The most successful problem solvers look at things differently and see solutions no one else can. Who would have thought of using fish protein to stop gas freezing in subsea pipes? One of our people did. And right now we're looking for more people who can bring a fresh perspective to the energy challenge. We'll provide training, support and career choices to develop your potential. We'll get you working with some of our most accomplished problem solvers. And together we can help build a responsible energy future. Think further. Visit www.shell.com/careers/graduates and quote ref. xxx when you apply. Shell is an equal opportunity employer.

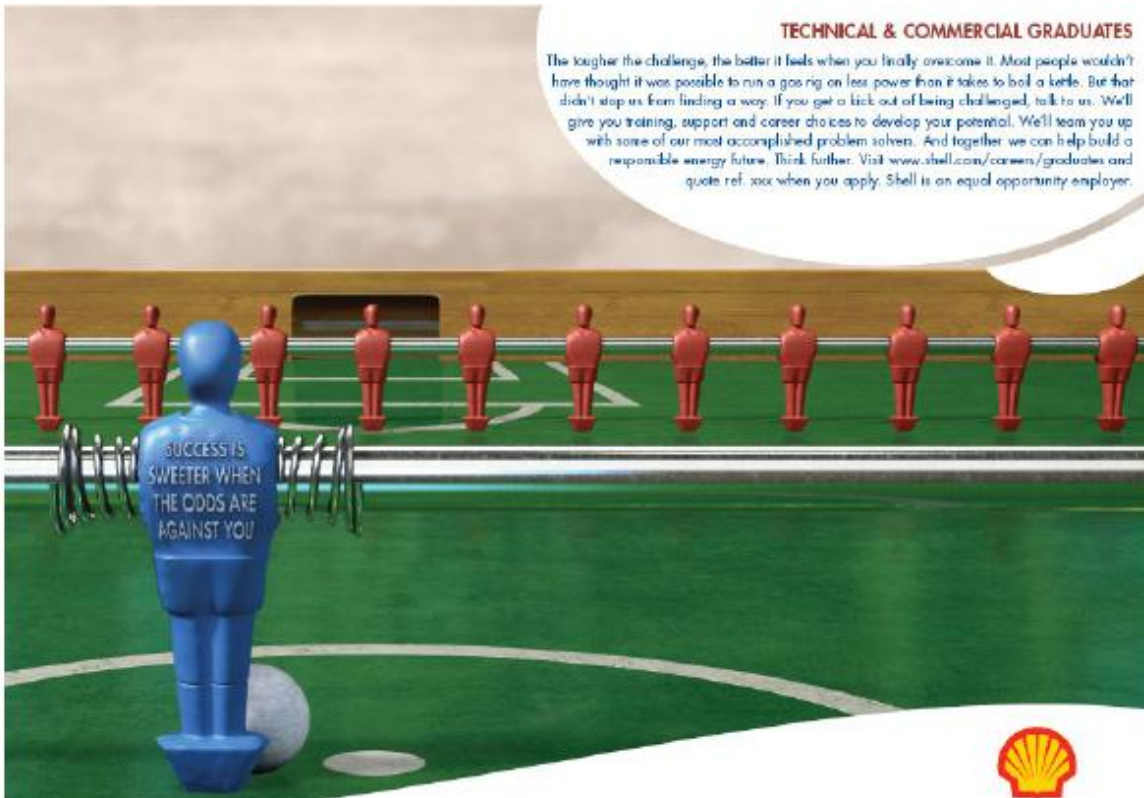


GREAT MINDS DON'T THINK ALIKE




TECHNICAL & COMMERCIAL GRADUATES

The tougher the challenge, the better it feels when you finally overcome it. Most people wouldn't have thought it was possible to run a gas rig on less power than it takes to boil a kettle. But that didn't stop us from finding a way. If you get a kick out of being challenged, talk to us. We'll give you training, support and career choices to develop your potential. We'll team you up with some of our most accomplished problem solvers. And together we can help build a responsible energy future. Think further. Visit www.shell.com/careers/graduates and quote ref. xxx when you apply. Shell is an equal opportunity employer.



SUCCESS IS SWEETER WHEN THE ODDS ARE AGAINST YOU



Our ongoing
commitment to
building
marketing
capabilities

While our main focus in 2006-8 has been on developing these two, crucial, capabilities, we have also invested in developing other broader marketing skills.

In our capability programme, called xchange, we created a series of virtual classrooms supported by on and off line toolkits, to teach people marketing fundamentals. This built knowledge of the core principles of marketing among everyone in Recruitment. It covered the skill areas of the Candidate Journey, Insight, Segmentation, Brand Positioning, Brand Activation and Marketing Planning.

"It was comprehensive and provided good examples. I learnt a few things about marketing that I would like to incorporate into this year's planning."

Virtual Classroom Participant, April 2008

Recognising the importance of strengthening our marketing leadership, we sent employees to the Marketing Society's Marketing Leaders Programme, which they found inspiring and practically helpful.

Our investment continues as our current capability priority is improving marketing effectiveness by better using data and analysis to prioritise and refine our activities.



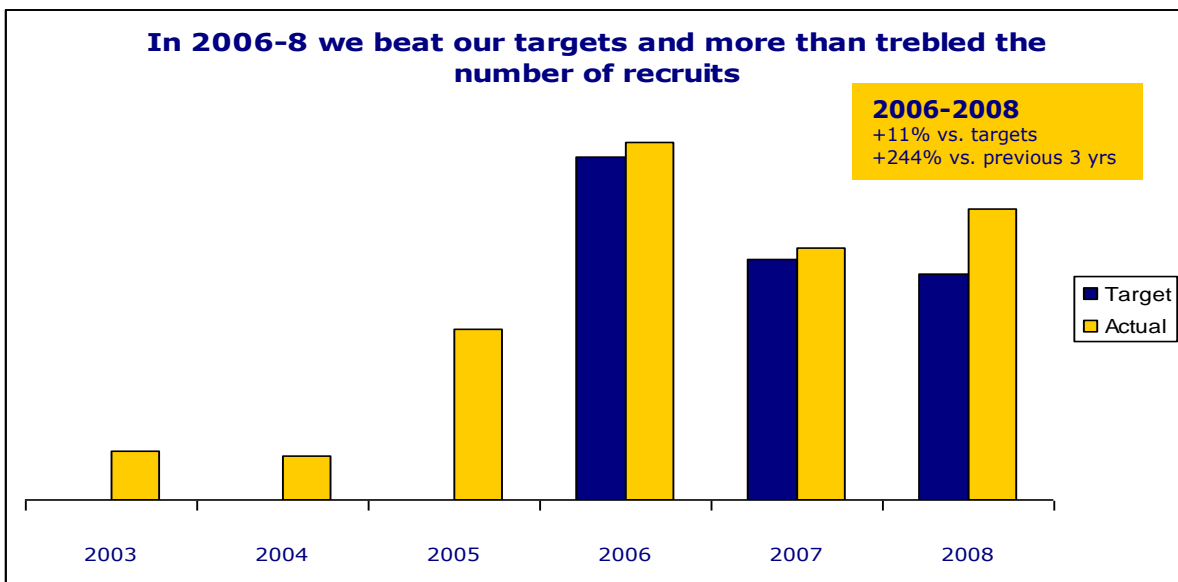
Our results

We were faced with a huge challenge: to cost-effectively double the number of new and highly skilled recruits to Shell in the face of strong competition and weak brand equity.

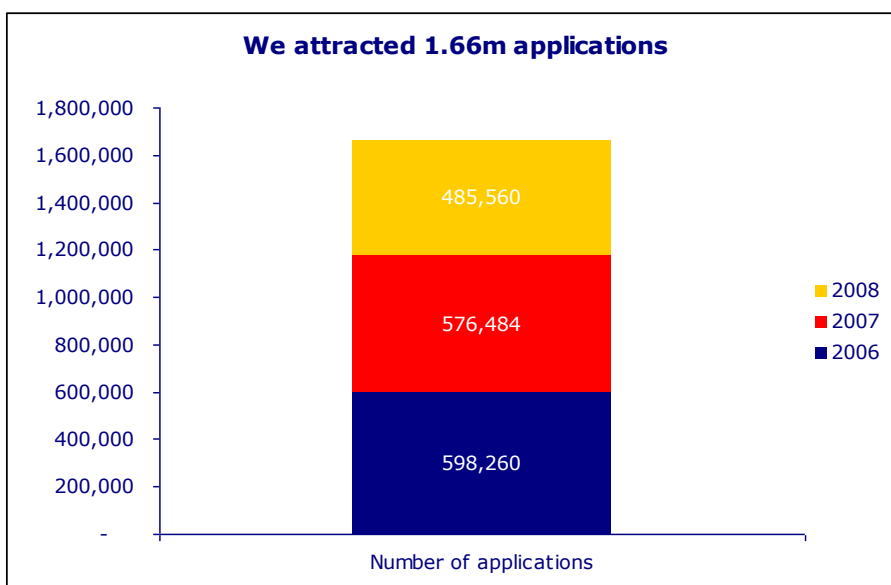
We had an HR team with little marketing experience, and a business hungry for new talent.

By building our marketing capabilities with Brand Learning's specialist support and pioneering the application of classic marketing approaches to recruitment marketing, we have achieved impressive results.

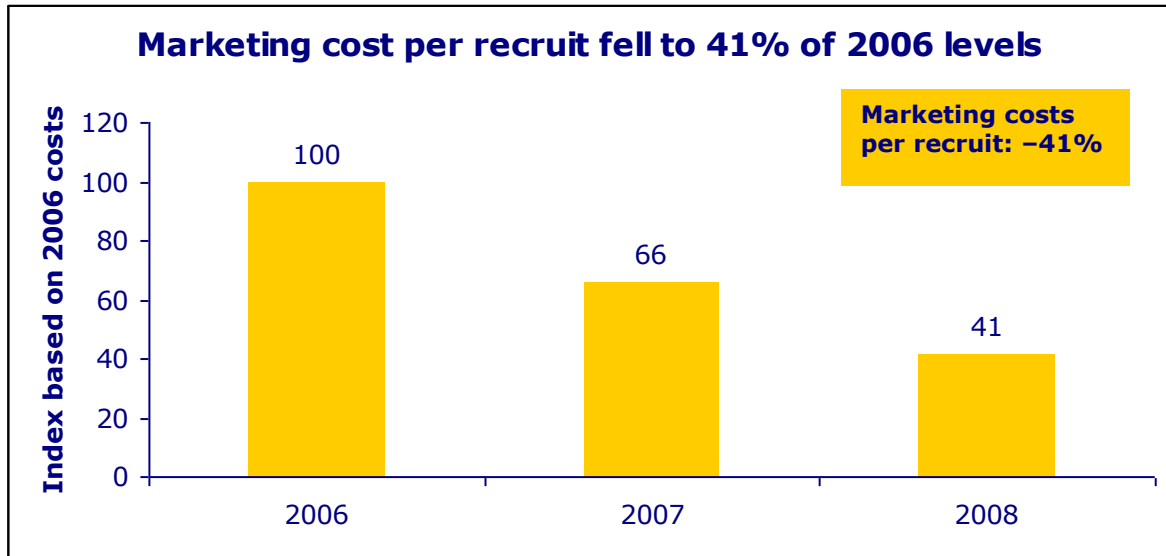
1. We beat our recruitment targets every year between 2006 and 2008: and delivered massive growth.



2. We attracted 1.66 million applicants to the Shell brand



3. We reduced the marketing budget and the marketing cost per hire by focussing on our customer 'the candidate', and finding efficiencies in communicating our EVP.



4. Our consumers report improvements in their brand experience.

| | 2006 | 2008 | % Change |
|------------------------------------|---------------|--------------|-----------------|
| Overall Candidate Experience Score | 3.55 out of 5 | 3.7 out of 5 | +4% |

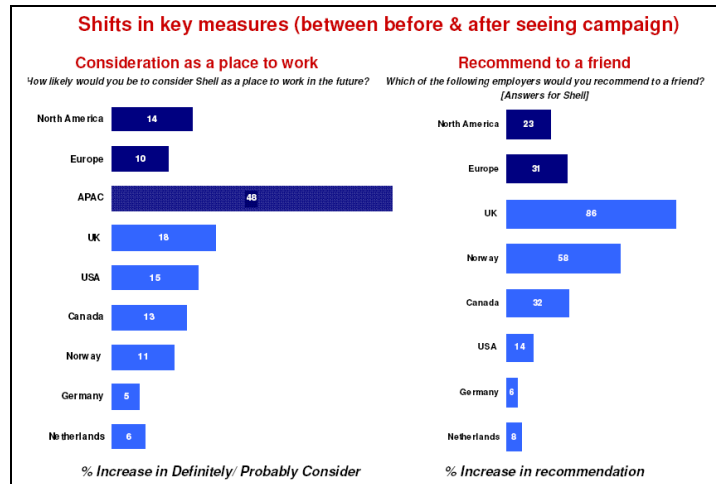
Driven largely by improvements in process efficiency.

| Segment | Measure (averaged) | Change In Time Taken 2008 vs. 2007 |
|-------------------|---------------------------------|---|
| Graduate | Application to Final Assessment | -7% |
| | Final Assessment to Offer | -41% |
| | Offer to Accept | -27% |
| Experienced Hires | Application to Final Assessment | -14% |
| | Final Assessment to Offer | -15% |
| | Offer to Accept | +18% |



5. Perceptions of Shell's employer brand are improving.

Our latest research shows that our Employer Value Proposition is motivating more people to consider Shell as an employer, against competitors and they are now more likely to recommend Shell to friends. Source: Brainjuicer, 2008.



6. Enhanced marketing capabilities are enabling people to be developed and promoted into other marketing roles across the business.

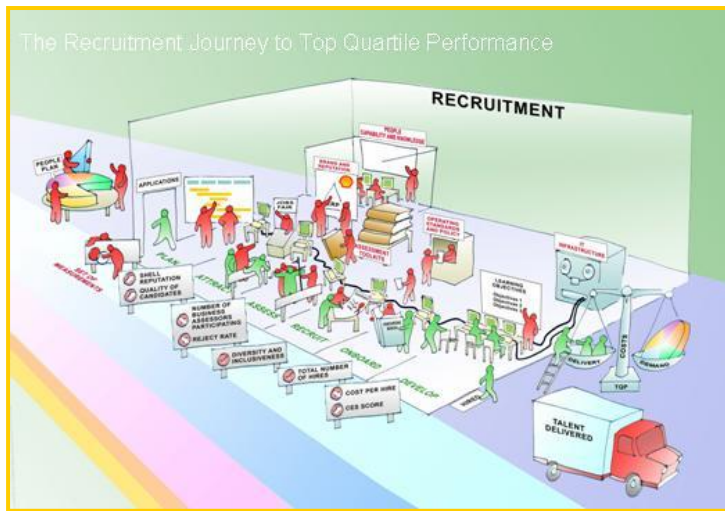
Since 2006, 20% of the recruitment marketing team has been promoted into other marketing roles – from marketing Shell Lubricants to corporate communications. We have overcome the perception that we are not “proper marketers” because we are in recruitment marketing, which is very motivating to the team.

7. Our people have found the investment in building their marketing capabilities highly motivating.

"Investing in our marketing capabilities has been an important component of our strategy and fits well with talent being a key enabler to our business strategy of 'More Upstream and Profitable Downstream'. The programme and initiatives have helped raise the bar and get us to top quartile performance as a global marketing team, and we have led the way in applying marketing skills in another corporate function: HR, with positive results."

Navjot Singh, Global Marketing Manager - Recruitment





Confidentiality: Some data has been removed to respect confidentiality.

