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Abstract:

Traditionally, internal branding efforts have been applied to private sector organizations to increase employee performance, loyalty, and advocacy (Gotsi and Wilson, 2001; Punjaisri and Wilson, 2007; Simmons, 2009). However, researchers are investigating the benefits of internal branding in the public sector. Although the public sector is based on different values and objectives as the private sector, a market oriented public sector has shown to increase "user" satisfaction, loyalty, and organizational reputation (Andreassen, 1994). Furthermore, the role of leadership has also been researched alongside successful internal branding. De Chernatony and Vallaster (2006) state that a leader plays a crucial role during an internal branding process. However, there seems to be little empirical evidence on the effects of internal branding in the public sector, and especially the role of
transformational leadership and their ability to elicit brand-supporting behaviors from frontline employees. This research aims to target this gap by focusing on the role of transformational leaders using internal branding as a strategic tool in public sector organizations to achieve brand based behavior reduced absenteeism and better service to citizens.

1. Introduction:
In public sector organizations, "customers'" commitment, and trust are directly affected by the way that public sector employees interact with them (Deon et al. 2000). Although many public sector organizations operate as monopolies, private sector companies are increasingly offering similar or alternative services, which gives more reason for public sector organizations to provide a satisfying and competitive experience (Deon et al. 2000). So what can public sector organizations do to positively affect their “customers”? Frontline employees’ behaviors and attitudes not only affect external stakeholders, but also shape the organization’s brand and reputation in the eyes of the public and other stakeholders (Punjaisri and Wilson, 2007; Bergstrom, Blumenthal and Crothers, 2002). In order to promote such brand building behavior from frontline employees, the role of transformational leadership has been emphasized as a critical factor (Morhart, Herzog, and Tomczak, 2009) as leaders take charge of shaping and managing the brand's identity, and are the mediators and energizers between an organization’s structures and its people (De Chernatony and Vallaster, 2006).

1.1 Structure of the paper
This research starts by defining the brand and focusing on the importance of internal branding in helping employees deliver the brand promise to stakeholders. Next, the role of leadership is highlighted and especially transformational leadership in building employees' brand building behavior. Then, both internal branding and transformational leadership are examined in public sector organizations. The research summarizes the importance of transformational leadership in intrinsically motivating public sector employees regardless of added constraints or bureaucracies. Next, the relevance of internal branding in the public sector is examined and the possible reasons of the lack of research in the area are covered. This leads to the creation of the conceptual framework.
Figure 1: Internal branding, leadership, the public sector and the proposed research gap

2. Internal Branding, Leadership, and the Public Sector

Researchers have investigated the effects of internal branding in the public sector, the role of leaders in the internal branding process, and the role of leadership in the public sector. However, as shown in figure 1, the Venn diagram uncovers that although there have been many topics investigated in the three fields separately and even two fields together, there is little research that includes all three domains. Hence, there seems to be a research gap that at the intersection of the three fields. This study aims to fulfill this research gap in an effort to investigate the role of transformational leaders in the public sector and the effects of using internal branding as a tool to increase employee brand based behavior and therefore public sector performance.

2.1 Internal Branding:

Kotler (1991) defined the brand as being the organization's name, symbol, terms and designs that distinguish the goods or services from its competitor. Polonsky and Jevons (2006) state that stakeholders use the brand image as a lens to evaluate the organization's performance (cited in Simmons, 2009). Although there are many similarities, an organization's brand differs from its reputation in that a brand is unique while reputational characteristics may be similar between organizations, and a brand's strength depends on the need while reputation exists independently of demand (Bergstrom and Crothers, 2002). Bergstrom and Crothers (2002) define the brand as being an accumulative collection of all professed tangible and emotional aspects of a
product or service. They go further and argue that in fact everything is branded and affects the emotional identification with the brand including the packaging, advertisements, invoices, intranets, and even the walls, which they refer to as environmental management. Next, they argue that everyone is branded, meaning all employees and other stakeholders are affecting the corporate brand. Branding is not only concerned with shaping the customers' view about the organization, but also shaping the view of the employees as well (Grace & King, 2008). According to Jacobs, “a brand is a relationship an organization has with its employees” (cited in Grace & King, 2008, 360). Schroeder goes deeper in the meaning of brands and widens the definition of brands to corporate culture, strategy and values by arguing that "brands exist as cultural, ideological, and sociological objects" and that "understanding brands requires tools developed to understand culture, ideology, and society, in conjunction with more typical branding concepts, such as brand equity, strategy, and value (p. 124, 2009). Schroeder adds that brands represent culture with added meaning and strategic goals. A study by Punjaisri and Wilson (2007) states that internal branding is an important tool for powerful corporate branding. This is because they believe that the success of corporate branding relies on the attitudes and behaviors of employees who deliver the brand promise to the external stakeholders. They maintain that by understanding and orchestrating their employees, especially front line employees who are in direct contact with the customer, their behavior will be better aligned with brand values. Internal Branding is defined as "the set of strategic processes that align and empower employees to deliver the appropriate customer experience in a consistent fashion. These processes include, but are not limited to, internal communications, training support, leadership practices, reward & recognition programs, recruitment practices and sustainability factors" (Groom, McQuillan, MacLaverty and Oddie, 2008, p.6). Mahnert and Torres define internal branding as “the concerted, inter-departmental and multi-directional internal communications effort carried out in order to create and maintain an internal brand. Internal branding attempts to achieve consistency with the external brand and encourage brand commitment and the propensity for brand championship among employees. To this end, internal branding is the reflection of the values and the realization of the promise of the brand internally and externally" (2007, p.56). Gotsi and Wilson state that employees who "live the brand" can enhance the "corporate reputation as a means of enhancing an organization’s financial value, influencing intention to buy, acting as a mechanism for assuring product/service quality, influencing customer and employee loyalty, and offering inimitability to the organization"(p.99, 2001). Mahnert and Torres (2007) describe brands to have a personality, character, attitudes, motivations and emotions and when employees personify and they represent it to the customers and the general public. And although it seems logical that the functional aspects of a product or service reap a greater source of value, it is the emotional affinity and identification the stakeholders feel that leads to sustainable competitive advantage (Bergstrom and Crothers, 2002). Great brands create distinctive and solid emotional bonds with their audience which in turn leads to their loyalty (Bergstrom and Crothers, 2002). Internal branding helps organizations align their internal processes, employee behaviors and attitudes, and corporate culture with the corporate brand (Punjaisri and Wilson, 2007). Internal branding is essential because it helps to align employees' feelings, beliefs, perceptions, and actions with those expressed by the corporate brand, and therefore help deliver the brand promise to external stakeholders (Punjaisri and Wilson, 2007). Internal branding is also important to organizations
because of its strong coalition with increased performance (Punjaisri and Wilson, 2007). Mahnert and Torres (2007) found that there are several factors that affect the success or failure of internal branding. Figure 2 displays those factors by categorizing them into two sections, factors under the control of organization, and factors that involve employee's interpretation. The categorization of these factors was based on the works of De Chernatony and Cottam (2006) who stated that when the brand is codified and staff brand training takes place it is under the corporation’s control, but the second stage includes employee's interpretation of the brand where employees internalize the brand, begin to interpret it, and begin to behave based on the brand culture.

Figure 2: Factors under employee and corporate control that affect the success of internal branding, based on the works of Manhert and Torres (2008) and De Chernatony and Cottam(2006).

This research focuses on the role of leadership, and specifically the importance of transformational leadership in the success of internal branding. Next, we investigate leadership theories and the significance of transformational leadership.

2.2 Transformational Leadership

Although internal branding is a strategic matter that is developed by top management, departmental leaders play a crucial role as mediators, to encourage and support brand-supporting behavior and keep the internal branding programs going (De Chernatony and Vallaster, 2006). Ind and Bjerke (2007) state that branding is a process of transformation as it changes products and services into something that is perceived by stakeholders by adding value which is reached by the transformation and meeting their emotional and functional needs and wants. In the last thirty years, "transformational leadership has become one of the most prominent theories of organizational behavior" (Pandey et al., 2009, p.76). Burns (1978) describes transformation leaders as having the ability to make social changes by finding out
what motivates people, looking for what satisfies their needs, and engaging the person in the work. He further describes that there is a relationship that is created between the leader and the follower that creates motivation for vision and goals. Transformational leaders motivate changes that are beneficial to the relationship between the leader and the follower and as well as the recourses around them (Stewart, 2006). Transformational leaders "define public values that embrace the supreme and enduring principles of people" (Burns and Collins, cited in Stewart, 2006, p.29).

In the public sector, researchers have examined the effect of transformational leaders on intrinsic motivation, particularly public service motivation (Pandey et al., 2009). Pandey et al. (2009) found that transformational leaders influence public service motivation through engaging their followers in the values of the organization and by creating meaning for their jobs. Moreover, as the main purpose of public sector organizations are to provide service to the community, transformational leaders increase the attractiveness of the organization's goals in the eyes of its employees (Pandey et al., 2009). Pandey et al. (2009) state that transformational leaders motivate their followers to work towards a goal by being a role model and by intellectually stimulation.

2.3 Transformational Leadership in the Public Sector:

According to Bass and Reggio (2006) "transformational leaders motivate behavior by changing their followers’ attitudes and assumptions. To direct and inspire individual effort, these leaders transform their followers by raising their awareness of the importance of organizational outcomes thereby activating their higher order needs and inducing them to transcend their own self-interest for the sake of the organization" (cited in Pandey and Wright, 2009, p.76). A study by Pandey and Wright (2009) found that public organizations show evidence of higher levels of transformational leadership compared to the private sector. Their study also showed that public sector organizations are not always highly bureaucratic organizations and more interestingly, although many public organizations experience added constraints from external authorities, Pandey and Wright found that the effects of transformational leadership may not be affected by such external controls. This may be due to the fact that employees understand such constraints and are motivated to serve despite such challenges due to their intrinsic motivation, which is increased by the role of transformational leaders (Jung, Chow and Wu, 2003). Pandey and Wright (2009) suggest that transformational leaders in the public sector align the commitment of their followers to that of the organization by meeting three conditions: by motivating their inspiration to an appealing organizational mission, by assisting and encouraging them to work towards that mission by being a role model, and by intellectually challenging them to transform their old assumptions to bring them to alignment with the message of the organization. Regardless of the possible difference, added restraints, and possible bureaucratic environment in the public sector (Pandey and Wright, 2009), it is important to test whether these characteristics inhibit transformational leaders to help employees internalize the brand and result in brand based behavior. Therefore, this study will test the effects of transformational leadership on internal branding and brand based behavior in the public sector context.
2.4 Internal Branding in the Public Sector

While some researchers note that marketing efforts take second priority in the public sector, as the main aim is to govern and not to distribute products or sell services (Walsh, 1994). A strong public sector brand can positively affect public awareness, economic development, elections, and service delivery (Snively, 1991). Furthermore, both external branding, and the behavior and attitudes of employees to citizens during interactions such as complaints can affect citizen satisfaction, commitment, trust (Deon et al. 2000) and possibly their compliance to rules and regulations of the public sector organization.

However, researchers argue that the effects of certain marketing tools (such as internal branding) cannot be assumed to have the same affect in a public sector environment due to the differences in values between the public and private sector (e.g. Walsh, 1994). Colyer (2006) suggests that organizations in the private sector aim to gain competitive advantage and increase customers buying their products or services, while organizations in the public sector aim to have better communication with their employees and citizens, increase attention to their message, message retention, and behavior change such as citizens buying into a behavior change such as stopping smoking or not drinking and driving. He also adds that implementing branding (internal or external) faces greater challenges in the public sector due to complexity of structures, political issues, limitation in funds to invest in branding and decision making authorities. There is an increasing need in governments to align employee’s commitment to the government's brand promise to build an attitude of commitment throughout the organization (Eberl, 2008). This said, there seems to no empirical research on internal branding in public sector organization despite its promising benefits in aligning employee behaviors with organizations vision and goals. This may be due to several factors. First, internal branding may be misunderstood and regarded as an unnecessary marketing effort (Walsh, 1994). Secondly, perceptions of additional constraints in the public sector may lay a barrier to internal branding effort (Colyer, 2006). Rainey (2006) describes that leadership in the public sector must consider several elements of the public sector including jurisdiction restrictions, legislative alliances and subgroups with greater authority, the influence of the press, short tenure of top executives, and the absence of clear performance measures. Therefore, although there may be other reasons that internal branding has not been researched in the public sector, but we argue that first, internal branding is multi-disciplinary, inter-departmental function and although the marketing department plays a large role in definition and implementation, a successful internal brand involves the alliance and close involvement of management executives and human resources (Chernatony and Cottam, 2006; Punjaisri and Wilson, 2007; Simmons, 2009). Internal branding involves multiple departments and should be consistently communicated in multiple directions in order to sustain an internal brand (Mahnert and Torres, 2007). Internal branding is especially important for organizations providing a service, rather than a product, such as the public sector, because they do not rely on selling a product (Berry 2000, cited in Chernatony and Cottam 2006). Moreover, public organization goals and strategies [brands] can serve
a much wider purpose in comparison to the self interest narrow-goals of the public sector to include economic development and service to the citizens (Snavely, 1991). Second, by Pandey and Wright (2009) found that positive behavioral outcomes and increased performance obtained by transformational leaders in the public sector was not affected by the added constraints that common in public sector organizations. This may be due to the fact that public sector organizations have an important added advantage in general comparison to the private sector, which is the bases for employees motivation for serving the public. As studies have shown that public sector employees rely more heavily on intrinsic work rewards rather than extrinsic ones (Houston, 2000). These are described by Perry as attraction to policymaking, compassion, civic duty, public interest and self-sacrifice (Perry, 2000).

In a survey investigation of a public sector organization by O'Donnell and Shields (2002), they found that although management claimed that they enjoyed an exemplary system, their employees did not share their vision and in fact held feelings of mistrust against the system and management. O'Donnell and Shields argue the importance of insuring that employees understand the written and unwritten rules of the organization. This adds to the significance of internal branding in the public sector as brand specific leaders not only communicate, verbally or through social interactions, the written and unwritten rules of the organization, but also the goals, values, and vision thus intrinsically motivating them to improve their behavior in alignment with the "brand" of the public organization. But how can public leaders increase behavior that supports the public organizations culture, vision, strategy, thus brand? Kuvaas (2009) argues that with relation to the self-determination theory, transformational leaders have a direct influence on followers' intrinsic motivation through support for their needs satisfaction, perception of job autonomy, competence and relatedness. Perry (2000) argues that when employees are motivated intrinsically their positive behavior increases due to loyalty and an internalized sense of obligation and duty towards service in the public sector. In other words, one could argue that when employees participate in an internal branding process with the support of their brand-specific transformational leaders, they internalize the brand which results in brand supporting behaviors (Morhart, Herzog, & Tomczak, 2009).

Transformational leaders affect employees' need for approval, esteem, and affiliation, which leads to greater employee [brand] commitment and public service motivation and favorable work outcomes [or brand supporting behavior] in the public sector (Taylor, 2008). Extrinsic motivation refers to actions based on obtaining monetary results, while intrinsic motivation satisfies and creates intrinsic rewards for performers as they perceive their work as interesting and purposeful ((Ryan and Deci 2000)REF). In a study conducted by Buelens and Van den Broeck (2007), it was found that in public sector organizations, lower level employees found their jobs less interesting that managers at higher levels, thus, having less intrinsic motivation. This adds to the importance of internal branding and transformational leadership, especially at the middle management level, in order to establish the public organizations brand values, and brand goals. This is not only important to enhance the intrinsic motivation, commitment and performance of the front line employees but also with a higher aim as to provide better service to the community. Vigoda-Gadot and Meiri (2008) examine new public management (NPM) and the importance of responding to citizens as clients, creating more accountability and transparency, emphasizing on performance and re-establishing notions and feelings employees have about organizational goals, norms, and values. They emphasize the concept of
person-organization-fit (POF) as the level of compatibility and alignment of the views, goals, strategies, and values of the public organization with those of the individual. They suggest that transformational leaders in the public sector help match the goals of the individual to the goals of the organization [the brand] and change the perceptions of public sector employees [internalization] and thus affect public sector performance [brand building behavior].

3. Development of Model and Research Questions:

![Diagram of the central works providing the rational for constructs in research model based on Mohart, Herzog, and Tomczk, 2009.](image-url)
The primary question of this research addresses the effect of transformational leadership on internal branding in public sector organizations. In the following section the streams of the literature are integrated into the domain of public sector organizations: brand based transformational leadership, brand interpretation, brand internalization, and brand building behavior. Figure 3 displays the central works of the role of transformational leadership on internal branding and brand based behavior. The overall theory connections of the affects of based transformational leadership in the private sector are displayed in figure 4. The following section leads to the creation of the hypothesis.

Firstly, the research argues that transformational leaders (Burns, 1978) play a crucial role in the internal branding process (De Chernatony and Vallaster, 2006) as they use intellectual stimulation to motivate their followers to work towards a goal through adding value and meaning (Pandey et al., 2009) and therefore have an effect on followers’ cognitive and psychological understanding and internalization of the brand (Miles and Mangold, 2004)(H1). Secondly, as employees interpret the brand they begin to internalize its message and then naturally and unconsciously behave based in alignment with the brand values. (Gotsi and Wilson, 2001; Chernatony and Cottam, 2006; Punjaisri and Wilson, 2007 and 2009) (H2-3). Thirdly, when followers internalize the brand message and its values they exhibit higher in-role and extra-role brand building behavior (Mohart, Herzog, and Tomczk, 2009) (H4-5). Forthly, the behavior and attitudes of employees towards citizens during interactions directly effects their perception of quality (Deon et al. 2000) (H6). Finally, the research suggests that these relationships, previously addressed in the private sector, will also be significant in public sector organizations despite the added constraints or bureaucracies (Pandey and Wright, 2009) (H1-6).

H1: Brand based transformational leadership is positively related to brand interpretation in the public sector.

H2: Brand interpretation is positively related to brand internalization in the public sector.

H3: Brand internalization is positively related to brand supporting behavior in the public sector.

H4: Brand internalization is negatively related to public sector employees' absenteeism.

H5: Brand internalization is positively related to public sector employees' positive word of mouth.

H6: public sector employee brand internalization is positively related to perceived quality of service.
Methodology:

This research aims to complete a quantitative research with a possible application of a case study in the Ministry of Rural Affairs in Riyadh, Saudi Arabia.

Project Timeline:

The following outlines the outstanding research tasks and proposed timeline.

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<td>Identify Sampling Frame</td>
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