

## EXECUTIVE SUMMARY

### KEY QUESTION

What are best practices in the space of employer branding that enable organizations attract and retain the best talent?

### INTRODUCTION

A decade ago, few human resource leaders gave much consideration to the employer brand. Today, as markets become more sophisticated and the war for talent intensifies, H.R. leaders are waking up to the importance of employer brand in attracting and retaining skilled, value-adding talent. A recent Society for Human Resource Management (SHRM) study on employer branding revealed that over 67% of organizations view employer branding as a strategic recruiting tool to gain a competitive advantage to attract top talent, and 49% identified the employer brand as one of the top five strategic initiatives for their firm in the next year.<sup>1</sup> There are a vast array of definitions and theories surrounding employer brand. The most sensible and workable definition that we have come across goes like this: an employer brand is a set of attributes and qualities – often intangible – that make an organization distinctive, promise a particular kind of employment experience, and appeal to those people who will thrive and perform their best in its culture.<sup>2</sup> We embarked on our own investigation of what forward-thinking organizations are doing to leverage their employer brand to gain an edge in today's fiercely competitive labor market. Drawing from real-world examples, we will propose 3 key areas H.R. leaders should hone in on to successfully differentiate their employer brand to attract and retain the best talent.

### 3 KEYS TO SUCCESS: CREATING A POWERFUL EMPLOYER BRAND

All organizations have an employer brand. Forward-thinking organizations, however, recognize the importance of deliberately and systematically shaping their employer brand.

#### **1. Assess & Shape an Authentic, Consistent Message of What Your Organization Values**

To attract and retain critical talent, organizations must make a concerted effort to ensure that they stand for something meaningful as an employer. An effective employer brand is a long-term strategy that permeates every aspect of the employee lifecycle, including recruitment, onboarding, retention, and engagement.<sup>3,4</sup>

#### **Best Practices**

- *Evaluate and understand your organization's current value proposition.* In 2007, the insurance company, Travelers, embarked on the mission of defining and developing the company's first-ever employer brand proposition. The project team interfaced with current employees, potential employees, and recruiting experts to better understand how the company was perceived internally and externally. Through the process they were able to identify the attributes of the company's culture and employee programs that were the biggest draws, test potential messaging and confirm several ideas that the company already had.<sup>5</sup>
- *Ensure your employer brand message is authentic and consistent with company practices.* The key to effective employer branding is to make sure that the employment experience you promise to potential employees is one you are already delivering. At Marriott, the global hotel chain, their employer value proposition focuses on growth and opportunity for its employees. Marriott's H.R. practices and policies are consistently aligned with this employer brand promise with significant investment in training and development, global mobility, and career pathing and promotions.<sup>6</sup>
- *Appoint an experienced brand strategist or influencer to craft an effective brand message.* Yum Brands, the parent company of Taco Bell, KFC and Pizza Hut, found that the investment in hiring a marketing manager to drive employer branding initiatives across the organization. These branding initiatives resulted in improved retention and applications, outperforming fast-food industry averages.<sup>7</sup>

## **2. Communicate the Message by Leveraging the Right Channels**

In today's competitive marketplace, candidates want to know how a company describes itself and its goals as compared with other organizations.<sup>8</sup> Building a strong employer brand means developing talent management strategies and communicating them inside and outside the organization.

### **Best Practices**

- *Leverage social media channels to promote your employer brand.* Facebook, LinkedIn, Twitter, YouTube and other online platforms have become ubiquitous in our lives (*Figure 1*). However, increasingly, more visually-based social networking sites such as Pinterest and Instagram are gaining traction as a way to showcase an employer's culture. Companies like Cisco Systems are using these platforms to show the day-to-day activities of their employees and to show what it is like to work for their company.
- *Provide realistic, accurate and persuasive descriptions of job openings.* A CareerBuilder survey revealed a strong relationship between the expectations respondents had when they accepted their current job and job satisfaction. More satisfied employees lead to greater engagement and more satisfied customers.<sup>9</sup>
- *Let your employees do the talking.* Deloitte, the global consulting firm, sponsored a film festival that explored how employees feel about the firm. A panel of internal and external judges evaluated the 372 short videos entered in the contest based on how well they communicated "Their Deloitte," effectiveness in attracting and retaining the best talent, and creativity. A survey revealed that 75% of respondents showed videos to friends and colleagues outside of the company.<sup>10</sup>

## **3. Develop Employer Branding Metrics & Measure Their Effectiveness Against Talent Goals**

Employer brand can impact many areas of talent acquisition performance – directly or indirectly. Failure to develop metrics to monitor the performance of employer brand could negatively impact an organization's ability to attract and hire top talent. Talent acquisition metrics have rapidly evolved in recent years, in part due to an increase in the number of tools available to support more extensive tracking and reporting across various processes and initiatives in talent acquisition. As a result, hiring organizations are able to track far more data than ever before.<sup>11,12</sup>

### **Best Practices**

- *Find what metrics work for your organization's talent goals.* All organizations are different. Therefore, there is no standard of measurements that suits every organization. Examples of traditional metrics that have been used to measure ROI on employer branding activities include cost per hire, time to fill, time to productivity, and candidate satisfaction rates. A growing number of organizations are also exploring and adopting forward-looking measures that include promotion readiness rating, external versus internal hire ratio, quality-hire ratio, performance ratings of newly promoted managers and manager/executive failure rate.<sup>13</sup>
- *Think holistically about the impact.* At VMware, a leading cloud solutions company, diversity hiring – especially among women – is a major initiative. The company is measuring the impact of employer brand more holistically by comparing correlations between Net Promoter Scores and reviews on Glassdoor. In doing so, they are able to perform root cause analysis to identify areas of candidate experience that need improvement. Not only is this improving performance of advertising campaigns targeting key talent demographics (thus driving more traffic and engagement), but is also impacting VMware's quality of hire.<sup>14</sup>

## **CONCLUSION**

At its heart, employer brand is just one piece of an effective talent strategy. By strengthening employer brand, forward-thinking organizations are able to focus less on overcoming the talent shortage, significantly enhance their talent pipeline, and improve employee retention. In order for H.R. leaders to drive a strong employer brand, it is critical to 1. Assess and shape an authentic message of what the organization stands for, 2. Communicate that message by leveraging the right channels, and 3. Continually measure and evaluate the effectiveness of branding initiatives against the organization's talent goals.

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Figure 1.

<b>Most Used Social Networking Sites</b>			
	<b>Total</b>	<b>Top Brands</b>	<b>Other Brands</b>
LinkedIn	77.9%	77.2%	78.5%
Facebook	69.8%	74.6%	63.9%
Twitter	51.9%	56.1%	46.5%
YouTube	24.0%	27.2%	20.8%
Blogs	19.8%	21.1%	18.8%
Forums	17.8%	18.4%	15.3%
Pinterest	5.0%	7.9%	2.8%
collegeteed	2.7%	4.4%	1.4%
Tumblr	1.2%	1.8%	0.7%
Other	14.0%	12.3%	15.3%

Figure 2.

<b>Figure 3   Tips to Create an Employer Brand</b>
• Understand the company's business objectives and commitment to growth.
• Know what talent/skills the company needs to accomplish its business goals and objectives.
• Know the organization's brand attributes—what makes your company stand out to candidates and employees, in contrast to the competition.
• Be sure there is synergy with the corporate brand.
• Develop a communication plan (the labor market, media, timing, execution).
• Develop the creative content and the message.
• Use metrics to assess and track the success of the employer brand campaign. What are the results regarding hiring and retention? Calculate cost, quality, speed and efficiency.
• Evaluate, execute and extend the brand message into the marketplace.

Source: Brand your company to get—and keep—top employees. (2006, October). *HR Focus*, 83(10), 7-9.

Figure 3.

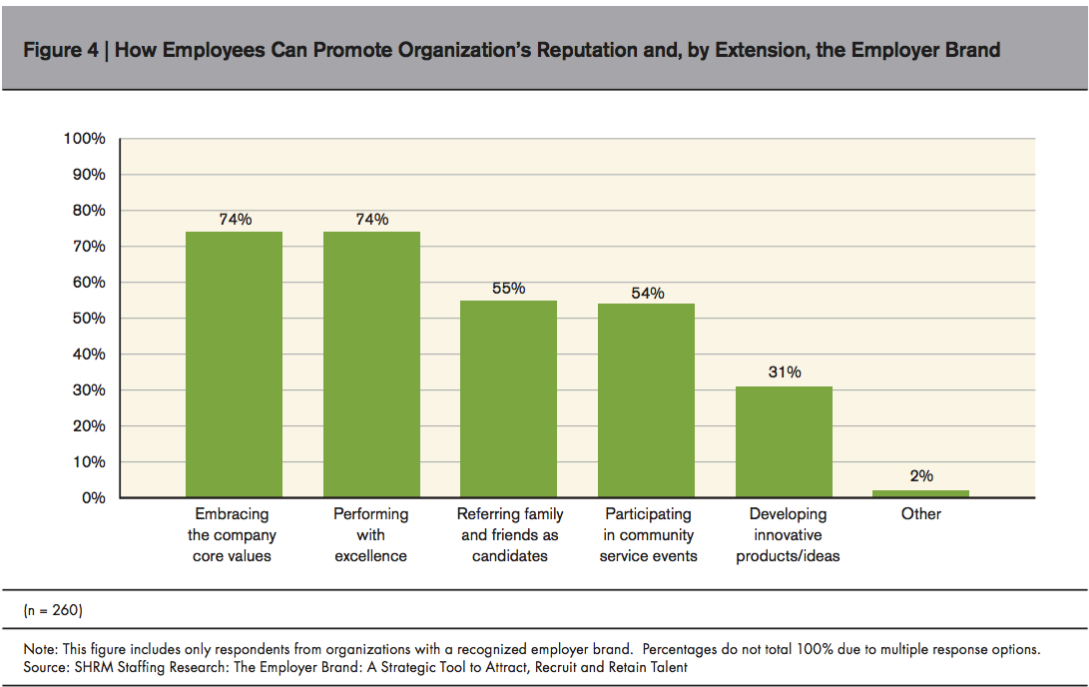
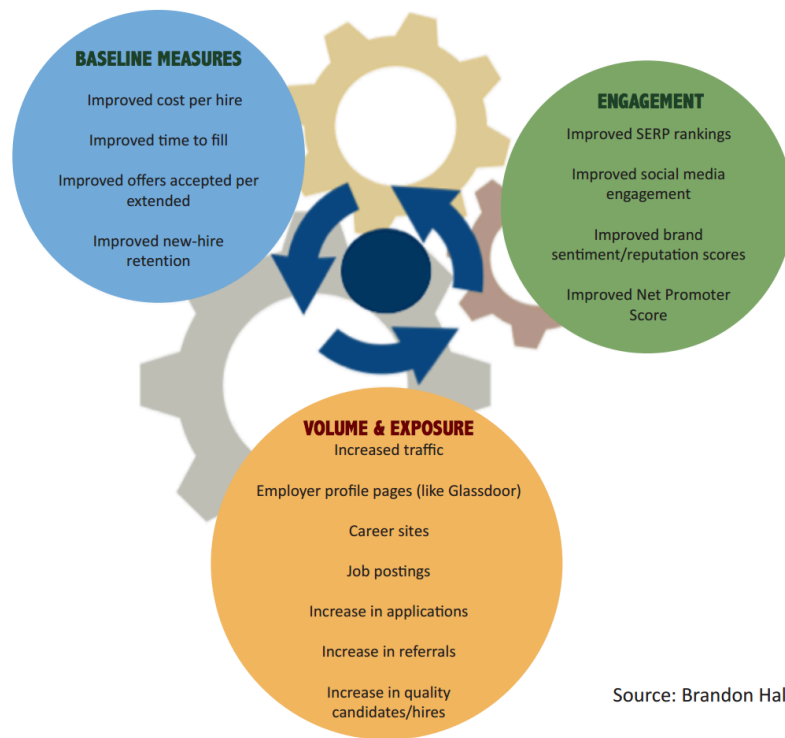


Figure 4. Metrics to look at the impact of employer brand



Source: Brandon Hall Group, 2014