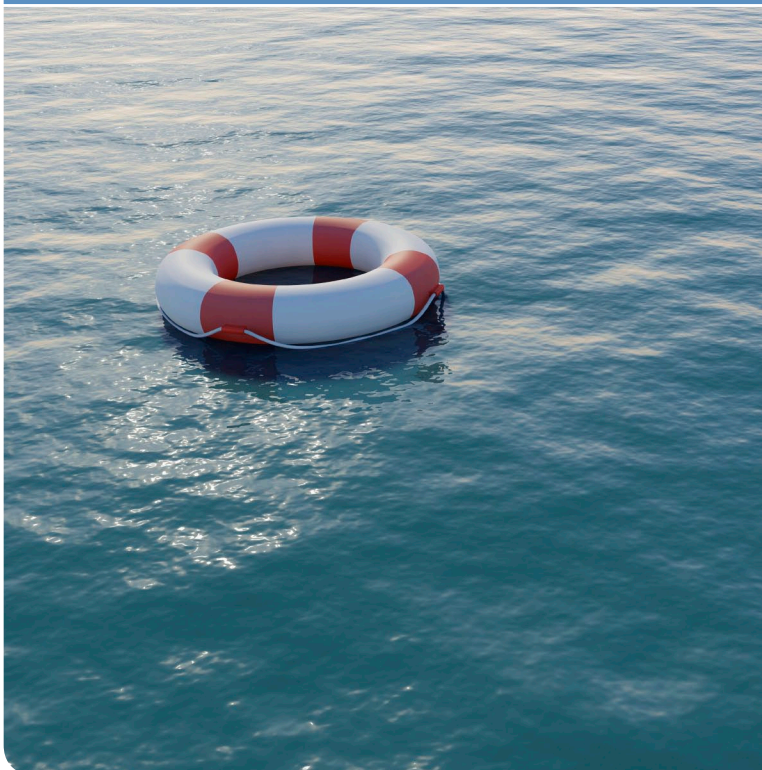




# Employer Branding:

## Winning the Post Recession Competition for Talent



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# Introduction

*Every company is known by the public via two distinct brands, its employer brand and its consumer brand. Understanding what distinguishes the employer brand and how it may affect attracting and retaining superior performers can be the difference between spring-loading out of a recession and not recovering at all.*

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# Employer Brand Matters

## What is Employer Brand?

Simply put, your employer brand is the perception the world has about your company as a good or bad place to work. Having a good employer brand means your company is perceived as an employer of choice, known in your industry and region as a highly desirable place to work. Having a poor employer brand could mean losing star performers in 2011 and experiencing an uphill climb to replace them.

Signs that the economy may be on the upswing are encouraging for businesses hoping to increase sales, but they may also portend the next big challenge: an eminent shuffling of key talent.

In one 2010 study, more than half of US employers anticipate that retaining key talent will be more difficult next year.<sup>1</sup> Financial hardship and fear currently have workers pursuing or temporarily staying in second or third choice jobs, but make no mistake: they are sustained by the hope that recent signs of economic growth mean they can soon move on to greener pastures. Employers who don't offer a value-added employment experience may lose superior performers.

*“In one 2010 study, more than half of US employers anticipate that retaining key talent will be more difficult next year.”*





## How is it Different from Consumer Brand?

Employer brand is distinct from the company brand that serves to attract buyers for products and services. While creating a hip persona may be effective for attracting consumers to products, employer branding is not as simple as clever ads, trendy office decor or a web site posture that says, “We’re cool.” Talented job seekers have become adept at using a variety of communication channels to coolly evaluate an employer’s value offering and will reject clever spin for verifiable facts.

Establishing your company as an employer of choice will require a sophisticated strategy. It requires using an awareness of changing workplace considerations from the employees’ perspectives to formulate a value proposition to employees that clearly answers the age-old question, “What’s in it for me?”

The employer brand is made up of a constellation of factors that contribute to an employee’s experience inside a business. These include everything from the obvious (such as compensation and benefits) to factors which, while more subtle, profoundly affect an employee’s quality of life after hire. Strategically shaping these factors can help retain strong performers while attracting new talent, by showing you’ve taken steps to create a work environment where they can thrive.



## YOUR Image is THEIR Image

Company branding and employer branding aren’t the same, but they may intersect to fuel each other. A good place to work may also be perceived as a worthwhile place to buy, and vice versa. Many of the same characteristics that attract socially responsible consumers to patronize a given business with their dollars—factors such as producing high quality products and services, using environmentally friendly manufacturing, fair trade policies, gender neutral pay practices, diversity in hiring, reducing the carbon footprint and providing healthy working conditions—are also considerations for job seekers. A review of the employer brand should verify that your company’s stance on these issues is communicated across channels like blogs, newsletters, web sites, etc.

More than ever, consumers stop to consider whether a company’s demonstrated values are aligned with their own before opening their wallets. Similarly, employees want to be identified with companies that have a great reputation. They want to feel proud of their company.



# Who Contributes?

## Treat Prospective Employees Like External Customers of Your Employer Brand

Remember that prospective job candidates are ‘customers’ who spread information by word of mouth about your company. Interviewers who are inattentive, uncommunicative or downright rude will unwittingly erase the hard work you do to position your company as an employer of choice.

On the other hand, a thoughtful recruitment strategy which includes job benchmarking and candidate behavioral and motivation assessments in tandem with a clearly communicated employer brand is a truly valuable career experience for the job applicant. Unlike some application processes, one that uses assessments is uplifting and affirming.

Even candidates who don’t get the job offer will leave with valuable insights. The unique assessment report provided to them is an independently validated tool for understanding themselves as an employee. Recognizing both their strengths and potential areas for development enables them to better communicate their value to potential employers.

Examine each step of the hiring process to assure that it gives applicants an appreciation for what it would be like to work inside your business, and your company shines as a positive experience during their job hunt.

*“Recognizing both their strengths and potential areas for development enables them to better communicate their value to potential employers.”*



## It Starts with a Great Fit

Momentum for retaining key players starts when they're hired. Minimize potential losses of both talented employees and their productivity by using assessments to ensure that each person is in the position that's the

*“Assessment tools help hiring managers deploy employees in positions where they potentially have the biggest impact on the bottom line.”*

right fit for that individual. Assessment tools help hiring managers deploy employees in positions where they potentially have the biggest impact on the bottom line. Employees who are in the job that is best suited to their unique set of skills and inclinations are happier, and thus more likely to stick around.



## Win Good Word of Mouth from Happy Employees

Job seekers and potential customers alike are increasingly well-informed consumers, using a variety of technology channels to thoroughly investigate a company's offerings. This makes the strategy of how best to promote a favorable company image all the more important when the goal is to attract the best talent.

Smart companies consciously treat current employees as the internal customers they are, providing a value added career experience and letting human nature take its course. Satisfied employees then become goodwill 'ambassadors' who are a reliable source of high quality hires.



## Apply What You Know About Customer Satisfaction to Employer Branding

Dissatisfied customers tend to engage in more word of mouth than satisfied customers. Disgruntled employees may, too. With the rise of social networking, astute steps toward enhanced employer brand perception is a necessity, not an option. Like it or not, cynical workers have an abundance of channels for broadcasting their opinions of the company. The tsunami of people using tools such as Facebook and Twitter to air their loves and hates to the world challenges the degree of control companies have historically had over public perception.

Until recently, traditional marketing and public relations efforts focused on channels such as television and print advertising, allowing companies to present a carefully shaped picture of products and services. Today the enormity of web site, blog, Facebook, and Twitter options have relocated your company's employer brand to the digital public domain. The talented job seekers your company hopes to attract have ready access to what current customers and employees alike are saying about their experience of your company and it's products, just as consumers do.

Your brand perception is 'owned' in the public domain. You can not control what is being said but you can substantially influence it by communicating the facts about life inside your company and how employees feel about it. Evaluating and upgrading the employee value proposition is the indispensable first step to creating favorable buzz about working for your company.

*“Today the enormity of web site, blog, Facebook, and Twitter options have relocated your company’s employer brand to the digital public domain.”*



# Cultivate & Maintain

## Why it's Not Just About Pay

Recent economic events have caused a shift in the way people evaluate the importance of their career to overall life goals. Sleepless nights and prolonged stretches of unemployment—whether their own or a loved one's—provoke a serious evaluation of priorities. So does the experience of being 'stuck' in a poor job fit because of a stunted economy. It's never been so obvious that the quality of one's work life profoundly shapes overall quality of life.



## Outstanding Benefits Aren't Just About Health Insurance & Vacation Days

Talented people want work/life balance and schedule flexibility, and with an array of technologies, it's easy for management to provide them while maintaining productivity and communication. When asked, "How important is it to you to have flexible hours as long as you get the job done?", 51.48% of respondents in one study said it was important or very important, with another 32% citing it as somewhat important.<sup>2</sup> Allowing employees some flexibility in choosing their work schedule makes an enormous impact on quality of life, particularly if they commute through heavy traffic or have growing families to care for.

Encouraging wholesome lifestyle habits by providing a functional kitchen, work site exercise or discounted gym memberships contributes to employees' health while strengthening the employer's brand. Working for a company that makes it possible to seamlessly fulfill one's work and family responsibilities while remaining healthy is high on job seekers' shopping lists.





## Express Your Organizational Values

Defining and expressing the company's values has become an important consideration for both retaining and attracting talent. Company values are not just an expanse of lofty text on the web site: they help create the company culture and are the ground of your decision making process when plans affect staff. They are the ruler against which all decisions should be measured and should be consistently evident in all company communications, particularly those with employees

Are you able to succinctly articulate your company's values? Can your employees see them demonstrated in concrete actions? For example, involvement in community, charitable and environmental causes is increasingly viewed as making work and life more meaningful. When companies give employees the opportunity to 1) choose the nature of the involvement and 2) participate together, they allow staff to help build the company's culture from the bottom up. Employee surveys can be customized to measure how successfully company values are conveyed, while identifying logical next steps.

*“Are you able to succinctly articulate your company's values? Can your employees see them demonstrated in concrete actions?”*





## Soften Secondary Effects of the Recession that Impact Performance

It could be called the ‘Poison Pill Effect’: Lay offs don’t just affect departing staff. How well or poorly a company treats laid off workers has a profound effect on remaining staff, too (and of course these stories are broadcast outside the company.) Employees are already speculating about their own chances of being laid off, so they will pay close attention to how management treats departing workers. In the post-recession economy, your staff—including critical top performers—may be affected by the pervasive gloom that has 64% of employees feeling stressed at the possibility of losing their job.<sup>3</sup> In an atmosphere of uncertainty, fear takes over and employees may speculate scenarios which are then repeated as if they have validity.

Be sensitive to how the current economic climate affects your employees outside of work. Even people lucky enough to have a job are feeling the pain when they get home at night to spouses, children, friends or parents who may be unemployed and depressed. Just as they are being asked to produce more at work with a smaller staff, they may be carrying a heavy load at home.

*“In the post-recession economy, your staff—including critical top performers—may be affected by the pervasive gloom that has 64% of employees feeling stressed at the possibility of losing their job.”*

The diminished housing market may also have a devastating and lasting effect on workers’ prospects and self esteem. They may be reluctant to discuss personal financial matters at work, but some are quietly losing their homes to foreclosure, while others anticipate years of financial fallout from badly damaged credit.

With widespread job losses, even those who are working may feel grim about the future. Many can’t anticipate pay raises or job stability in the near future, but they face the prospect of maintaining inflated payments on a devalued home. Your staff’s morale and thus their performance on the job may be affected.



## Leadership Communication Matters Now More Than Ever

Counter fear and stress with clear, intentional communications that consider employees' viewpoints in even the smallest matters. If this year's strategic plan has been well communicated, they will have an accurate view of where the company now stands and what has to happen in the near future to avoid more layoffs. Now is not the time to leave employee prospects to speculation. It is imperative that communications with staff are frequent, consistent and honest. Employees need to know specifically how their own performance can positively or negatively affect the success of the company's 2010 plan.<sup>4</sup>

A survey designed to include an assessment of employees' current perspectives will provide useful feedback for leadership about how effectively they are reassuring staff when communicating the game plan for moving from survival to growth in the aftermath of the financial downturn.



## The Curative Power of Professional Development

Professional development boosts performance toward the goals companies must accomplish to turn the corner this year. It also acts as a realistic antidote to the stress employees feel in the post-recession economy. From Millennials to Baby Boomers, the lack of potential for advancement this year is particularly frustrating for the superior performers companies hope to retain. They recognize that the current economy is a roadblock to the career growth their performance warrants. Despite knowing that companies are hard pressed to increase salaries or provide bonuses now, in the absence of mitigating factors, high performers may be tempted to look elsewhere for increased opportunity.<sup>5</sup>

Provide growth opportunities as part of the employer brand, because professional development dollars perform double duty. Investing in employee development can help retain talented workers. They correctly perceive growth opportunities as a demonstration that the company values them and is investing in their future. Training that guides them to the next level of effectiveness doesn't just positively impact productivity and the bottom line. It gives superior performers the sense of progress they crave now and may encourage them to be patient as business rebounds.



## Paying for Health & Productivity Initiatives Pays Off

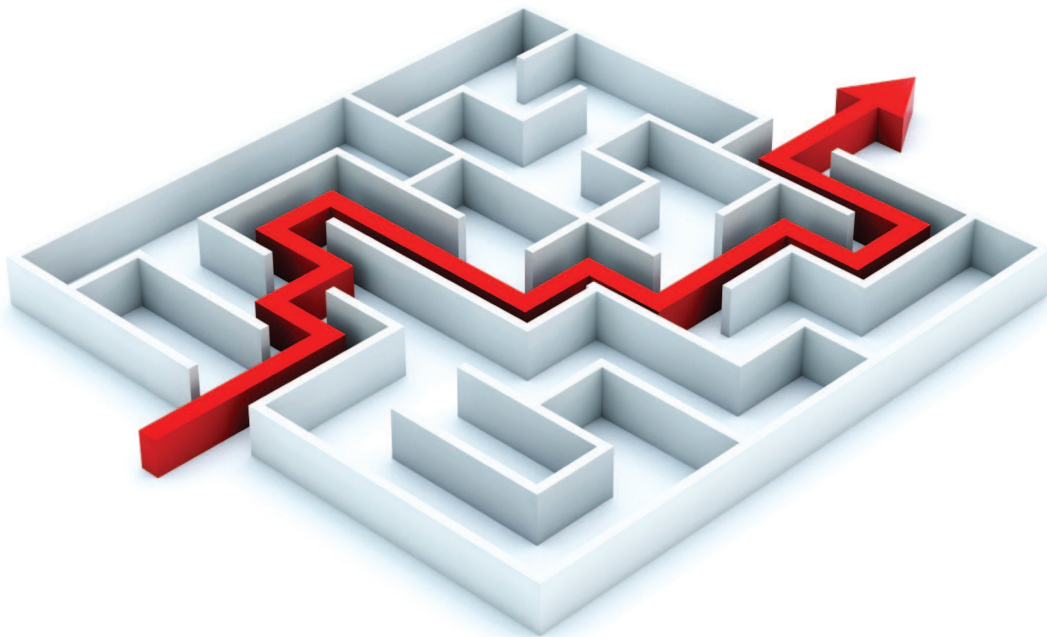
Many of the actions that build a strong employer brand perception bring favorable economic returns, too. Health and productivity programs have been shown to lower absenteeism, boost revenue per employee and have even been correlated to elevated shareholder returns.<sup>6</sup> It seems that tending to the well-being of employees is also tending to the bottom line, so expenditures for employee health and professional development is money well spent.





# In Summary...

*Rampant stress and job discontent is fertile ground for savvy businesses to position themselves as an employer of choice in preparation for the coming 'top performer shuffle'. Against the backdrop of a slowly recovering economy, companies who strategically use their resources to provide a superior employment experience will stand out more dramatically than ever when compared to competitors with a poor employer brand. Going forward, company survival, staff development and employee job stability are entwined, as businesses compete not just to maintain a foothold in their industries, but to retain the top talent that will help them thrive.*





# About TTI

TTI Performance Systems, Ltd. is the worldwide leader in personal and professional assessment tools. With years of research and validation, TTI assessments are time-tested and proven to provide timely solutions for today's business challenges. Through a network of over 7000 Value Added Associates, TTI tools are utilized in over 50 countries and 26 languages to help businesses and organizations effectively manage their most valuable asset—people.

From recruitment to retention, TTI Performance Systems is a constant resource for new ideas and business applications. As a leader in the marketplace, we ensure the status of TTI assessments in the future by carefully managing our intellectual property and protecting the research and advancements TTI has made in the field. With several patents, copyrights and trademarks, TTI products are guaranteed to stand the test of time. Our staff is an expert resource in the assessment industry and continues to stay abreast of industry changes to enhance and expand the product line to provide unique solutions for the challenges businesses face everyday.



# Endnotes

<sup>1</sup>51% of responding US companies expect retaining key talent to get more difficult in the next year. From Recession to Recovery: How Far, How Fast, How Well Prepared? Towers Watson, March 2010, p. 4.

<sup>2</sup> Target Training International Performance Systems, Ltd. Job Seeker Survey - April 2008.

<sup>3</sup>“Excessive work hours (75%), lack of work/life balance (65%) and fears about job loss (64%) are the foremost sources of stress affecting organizations today.” 2009/2010 North American Staying@Work Report: The Health and Productivity Advantage, Towers Watson, December 2009.

<sup>4</sup> “Even if company-wide recognition processes have been eliminated, effective managers find ways to recognize their workers’ individual and collective accomplishments and convey publicly how their work has advanced the larger agenda of the department and organization.” Monster.com/Monster Intelligence, “Managing and Motivating Your Team in Stressful Times” by Joanne Murray, Monster Contributing Writer <http://hiring.monster.com/hr/hr-best-practices/workforce-management/hr-management-skills/managing-in-stressful-times.aspx>

<sup>5</sup> “If companies don’t act now and plan strategically, they could face a double talent exodus: first by the employees who see no room or potential for advancement, and second by the baby boomers who will, inevitably, retire.” From Recession to Recovery: How Far, How Fast, How Well Prepared? Towers Watson, March 2010 p.2.

<sup>6</sup> “Companies with the most effective H&P programs experienced superior human capital and financial outcomes: 11% higher revenue per employee, lower medical trends by 1.2 percentage points, 1.8 fewer days absent per employee and 28% higher shareholder returns.” 2009/2010 North American Staying@Work Report: The Health and Productivity Advantage, Towers Watson, December 2009.