

# Inside Leadership

## Reduce your costs and create organisation value in 2012 by picking up your employer brand.



Trish Horan of **HRM Executives' HR Selection Team** talks about the cost of missed opportunities and wasted expenditure, arising from ignoring your employer brand.

Our HR Selection Team's top competency demand over the last twelve months and we predict for the next year too, is experience in Reward Design and Management. Most C&B consultants report being "out the door" with work as their clients seek to get more bang for their compensation buck. Money it seems is the main focus for many organisations in winning the battle for talent.

The costs associated with acquiring great professional top talent are high and getting higher. We see top talent across all fields, having lived through strained economic times and yet another difficult budget, facing an ever reducing net disposable income. Consequently, they are making higher financial demands which is not

altogether surprising given the competition for their talent is so keen. Balancing the talent acquisition / performance budgets are therefore a key compensation challenge. However, effective employer branding can play a key role in helping you manage cost and be competitive in the battle for top talent throughout the next twelve months. We now see many companies, seeking a competitive edge, through a higher consciousness of their labour market perception.

These are now the top questions, that clients in Ireland and international markets ask us. How are we perceived? What do candidates say about us when you approach them on our behalf? What do they understand, think or feel about our organisation?

What obstacles do we face in trying to win talent?

Many of these organisations, with a need to drive higher return from their overall talent management strategies are now investing in techniques to market their firms online, as an employer of choice to attract those with the highest skills levels. Technology, however, is a two sided sword. For every forward thinking organisation that invests in online promotion through social media, career micro-sites and mobile apps, there are ten who simply install and do not properly use automated recruitment systems.

Equally, there are many who spend intelligent money on building their

employer brand, only to have high quality CV's met with a one line automated acknowledgement or rejection. The true cost in acquisition is often hidden through lost opportunities, caused by the mistakes an organisation makes before or through the recruitment process.

A particular challenge in our domestic recruitment market, is that many Irish based organisations seem to regard employer branding as an optional extra, relevant only to global firms with large marketing budgets. However, like any consumer brand you are familiar with, your employer brand speaks for your company's identity.

Whether you intend to or not, you do have an employment brand and it reflects your company's culture, values and attitudes towards its employees. Therefore if talent and the ability to attract it to your organisation is important to your firm, your employer brand is a key strategic issue. The alternative, after all, is that rather than attract the employees you want, you are left with those others will not hire.

While an employment brand covers all aspects of your HR strategy, it is at its most evident in value when you are actually recruiting talent. This includes of course, as to whether your own employees would be prepared to recommend your organisation to a friend or contact as a potential place of work. Several US organisations build their engagement programmes around influencing what they believe their employees would say about them "when they are home after work".

While effective employer branding requires a complex and aligned system of HR and Management processes to

work consistently well, there are a number of simple steps at acquisition phase you can take to create real value and cost savings.

The research team at HRM, is currently conducting one of the largest cross professional studies on Employee Value Proposition ever to be conducted in Ireland. The results of this survey, which investigate why people choose to join and choose to stay at employers, will be reviewed in HRM's annual labour market review for 2012. The survey itself will be published in full shortly afterwards. An interim review of survey responses, that can be applied to your recruitment processes and impact your employer brand now, include the following:

**1. Reputation of company is the number one influencer for professional candidates on whether or not they will engage with a company.**

Not perhaps surprising when security is also very high on the mind of candidates categorised as "in work but will consider a change". The first step for any organisation, is to understand the external view of that reputation so that any negative influences can be addressed at the early experience contact points in your recruitment process. Clear evidence of organisational ethics and respect for its employees are key determining factors.

**2. When researching a possible new employer, virtually all respondents indicated that they look to online sources for company information.**

Naturally a company's own website is the number one source for the vast majority, however, a significant number of professional candidates say that it is the overall internet presence

that determines their view of a company. Do you know what is being said about your firm online? Can you influence this with an investment in SEO to attract higher quality candidates to your business?

**3. Candidates are more impressed with meeting senior company executives at the earlier stages of a recruitment process than at a later stage.**

Professional candidates in particular suggest that this shows a higher level of commitment and interest from top management.

**4. Lack of communication throughout a process, is the number one turn-off for professional candidates who enter a recruitment process.**

The absence of information is not a neutral position, it creates a vacuum filled with negative speculation. This ultimately reflects on the employer brand and influences a candidate's decision to accept a job offer or on what terms they will accept a position. Candidates say they will reduce their compensation expectations, where they believe through the employment branding of the company, they share a common set of values.

Applying basic principles of good employer branding to your overall talent acquisition strategy has the potential to improve direct hiring capability and reduce overall cost. It also improves the likelihood that top talent will stay at your organisation.

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