

6.11: Employer Branding

Learning Outcomes

- Discuss the importance of employer branding
- Discuss how to build your brand as an employer

A positive employer brand is important for two primary reasons: it affects an organization's ability to attract and retain talent and it has financial and productivity implications.



In a Harvard Business Review article, Global VP of LinkedIn Talent Solutions Wade Burgess observed that workers now “have more choices and bargaining power than they’ve had in nearly a decade.”^[1] Burgess reported that a nationally representative survey of full-time professionals found that candidate choices are increasingly based on employer brand, with three factors contributing most to a bad reputation as a place to work:

- lack of job security
- dysfunctional teams
- poor leadership

On the other side, the three key factors for a positive reputation were as follows:

- stability
- opportunities for career growth
- the ability to work with a high-performing team

The research also established that there was a financial cost to a poor reputation. Specifically, researchers determined that the minimum premium required to convince a candidate to take a job at a company with bad reputation was 10% (roughly \$4,725 per hire). Assuming an annual turnover of 16.4%, a company of 10,000 employees could spend up to \$7.6 million in additional salary to compensate for its poor reputation.^[2]

That’s not the end of the bad news; almost half of the respondents indicated that they wouldn’t even consider taking a job with a company that exhibited the three negative employer brand factors. CRO (Corporate Responsibility Officers) Magazine’s statistic on that point is even higher; the magazine reports that 86% of women and 67% of men (U.S. data) wouldn’t join a company with a bad reputation.^[3]

So what’s the upside? *CR (Corporate Responsibility) Magazine* reports that 92% of people would consider changing jobs if offered a role with a company with an excellent corporate reputation.^[4] Additionally, Office Vibe cites the statistic that investing in employer brand can reduce employee turnover by 28%.^[5]

Practice Question

<https://assessments.lumenlearning.co...essments/18152>



So, that we know that it's essential to have a good brand as an employer, but how can you build that brand? Burgess' brand-building recommendations are relevant to both companies with tarnished brands and those who are, perhaps, just misunderstood.

- **Step 1: Evaluate your brand.** Conduct surveys to determine what prospective employees think of your brand and the company as a place to work. Seconding Glassdoor's "get inside the job seeker's mind" point, surveys will also yield insight into candidate's concerns.
- **Step 2: Identify/clarify your employer proposition.** Knowing what inspires your employees to drive through the gate every day (and if you don't know, ask/survey), will allow you to accurately communicate your brand and build campaigns that illustrate those attributes.
- **Step 3: Connect with your audience.** Send the right message to the right people via the right medium.
- **Step 4: Recruit & support brand ambassadors.** Provide your employees with engaging, shareable content, encourage them to share and amplify their efforts.

Perspective point: Burgess notes that "the difference between mediocre and great employer branding often is executive involvement."^[6] To that point, his final recommendation is to engage the C-suite in publishing content and social sharing.

? Practice Question

<https://assessments.lumenlearning.co...essments/18153>

In Global Workforce Management's "Talent Trends 2019" report, the authors conclude with a comment that "it's more important than ever that organisations create a workplace where people want, and not just need, to work each day."^[7] That observation goes to the heart of the brand-engagement dynamic. Brand consultant and author Denise Lee Yohn cites a Gallup finding that only 13% of employees are engaged and notes that disengaged employees are estimated to cost U.S. companies \$450-\$550 billion annually in lost productivity.^[8] She argues that the way to make the way to effectively engage employees is by making the critical connection to achieve employee brand engagement. According to Yohn, "employee brand engagement is achieved when employees are aligned and involved with the organization's brand." To clarify, Yohn notes that "It isn't about selling anything, or even telling employees what they should do; it's about informing, inspiring, and involving employees so that they want to support and advance the brand. Only when employees are engaged with the brand will they think and act in the specific ways that produce the specific results the company is seeking."

1. Burgess, Wade. "A Bad Reputation Costs a Company at Least 10% More Per Hire." Harvard Business Review. March 29, 2016. Accessed July 15, 2019. ↵
2. Ibid. ↵
3. Kunsman, Todd. "The 28 Employer Branding Statistics Your Company Must Know." EveryoneSocial. January 15, 2019. Accessed July 15, 2019. ↵
4. Ibid. ↵
5. Robins, Alison. "12 Recruiting Statistics That Will Change The Way You Hire." Officevibe. April 27, 2017. Accessed July 15, 2019. ↵
6. Burgess, Wade. "A Bad Reputation Costs a Company at Least 10% More Per Hire." ↵

7. "Talent Trends 2019." Global Workforce Management. Accessed July 15, 2019. ↩
8. Yohn, Denise Lee. "[Engaging Employees Starts with Remembering What Your Company Stands For](#)." Harvard Business Review. March 13, 2018. Accessed July 15, 2019. ↩

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