



The Impact of Employer Branding on Recruitment and Retention

Creating a dynamic—and
authentic—employer
branding

JAN 2022

Executive Summary

In this whitepaper:

- 4 common challenges associated with **employer branding**
- Tips for addressing challenges

Description:

Your employer branding is a promise to employees and candidates. By joining your team, they can anticipate specific benefits, perks, experiences, and environments—all of which can be verified and validated by current employees and recent interviewees.

More than ever, having positive employer branding is critical to recruiting and hiring top candidates—but, even so, many companies still struggle to create a strategy and real-time messaging that syncs with their organizations. When that happens, HR and recruitment teams are likely to experience a host of common challenges, including:

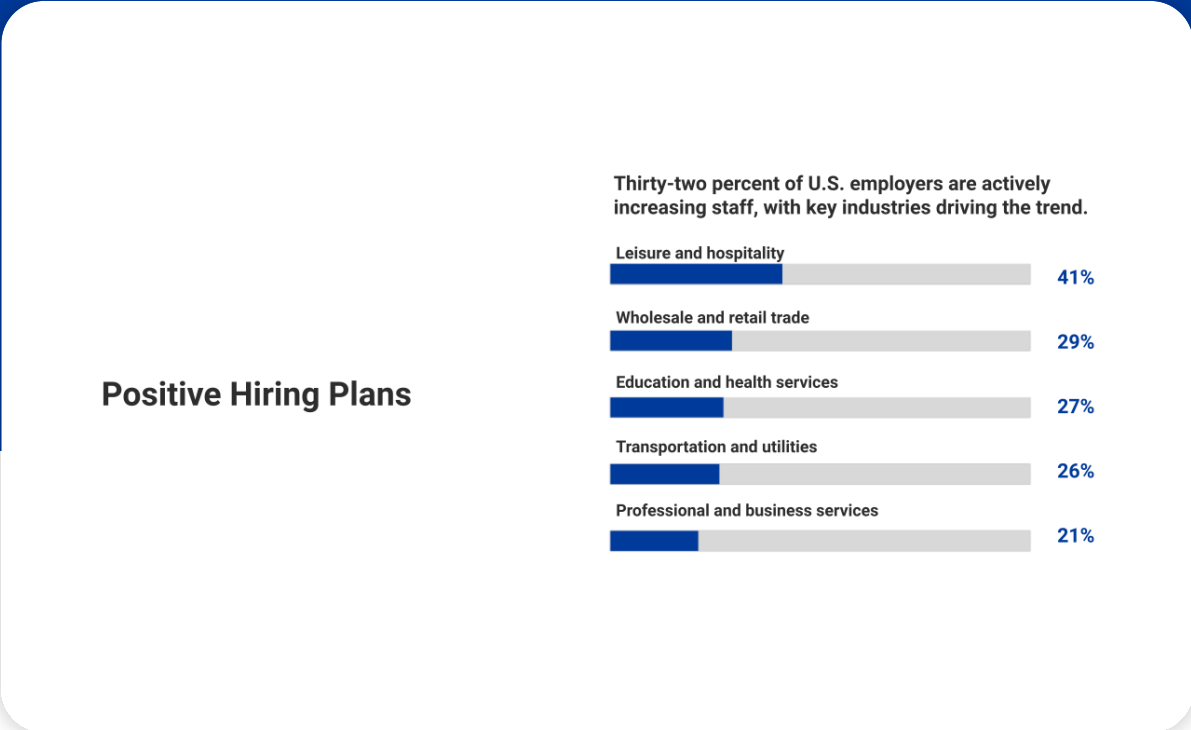
- Consistently losing candidate traffic—and top talent—to the competition
- Low employer awareness
- Increasing time-to-hire and recruitment costs
- Higher-than-average—and quicker—turnover

If your team is experiencing these challenges, it's essential to take a step back and dig in. By tapping into internal resources as well as third-party support, you'll be better positioned to identify the disconnects, awareness issues, and, potentially negative feedback and reviews impacting your employer branding. Armed with this intel, you'll be able to support your team as they revisit your employer branding, addressing any hurdles, and ensuring you're telling the right candidate story, right now.

By understanding where your employer branding stands—and by working to bridge any gaps—your organization will ensure candidates understand your commitment to their careers and their long-term success.

We’re in the midst of a job seeker’s market and candidates are in the driver’s seat.

With millions of open jobs spanning virtually every sector, organizations are being pushed to compete for top talent, coming to the table with higher wages, enhanced flexibility, hiring incentives, and quicker hiring decisions, just to gain an edge.



Source: SHRM, Job Seekers are Gaining Control over Hiring, June 2021.

Salary boosts and added perks, though, are just one piece of recruitment and retention in the post-pandemic landscape.

Career resources like Glassdoor and Indeed Company Pages have radically opened up insights into the inner workings of companies via employee reviews and ratings—and, often, if a candidate doesn’t like what they see, it’s unlikely added wages or offering a day from home will make the difference.

This direct, immediate access has heightened the importance of employer branding and, at the same time, empowered firms to take more control over it. So, what, specifically, should you be doing to understand, refine, and enhance your employer branding? Consult with an expert—but before that, take some time to understand where your organization stands right now with an eye on what’s working and what could be holding you back from attracting and retaining top talent.

Consider this...

50%

of candidates *won't* work for a company with a bad reputation.¹

vs.

92%

who say they'd change jobs to go to a company with an "excellent" reputation.¹



Defining employer branding

Employer branding is a key differentiator in today's increasingly competitive candidate market. Your employer branding, ultimately, is the story your organization tells about itself *plus* its reputation. That reputation comes from many sources, from the attributes and values you're actively messaging to what your current and former employees are sharing via social media, reviews, and word of mouth.

Often, enterprises believe they've solved for employer branding—that their business is well-known and well-regarded in the space. A passive approach, though, can lead to recruiting and retention hurdles. As markets evolve and candidate wants and needs shift, a powerful promise—the core of an employer brand—may not be as compelling. Or, in some cases, employee sentiment—online reviews, social media posts, word of mouth—directly contradicts your long-standing employer branding. If that's the case, it's important to step back and reassess.

Creating—and maintaining—a positive employer brand

For the majority of job seekers, employer branding centers on employee experience—that employee feedback and reviews are the most accurate representation of an employer brand. This, then, tends to drive the search process: 86% of job seekers say they research reviews and ratings before applying for a job and half say they wouldn't work for a company with a bad reputation, even if they were offered a pay increase. Compare that to the 92% of people who say they'd leave their current job to go to a company with an “excellent” reputation and it's clear employer branding matters—especially now.

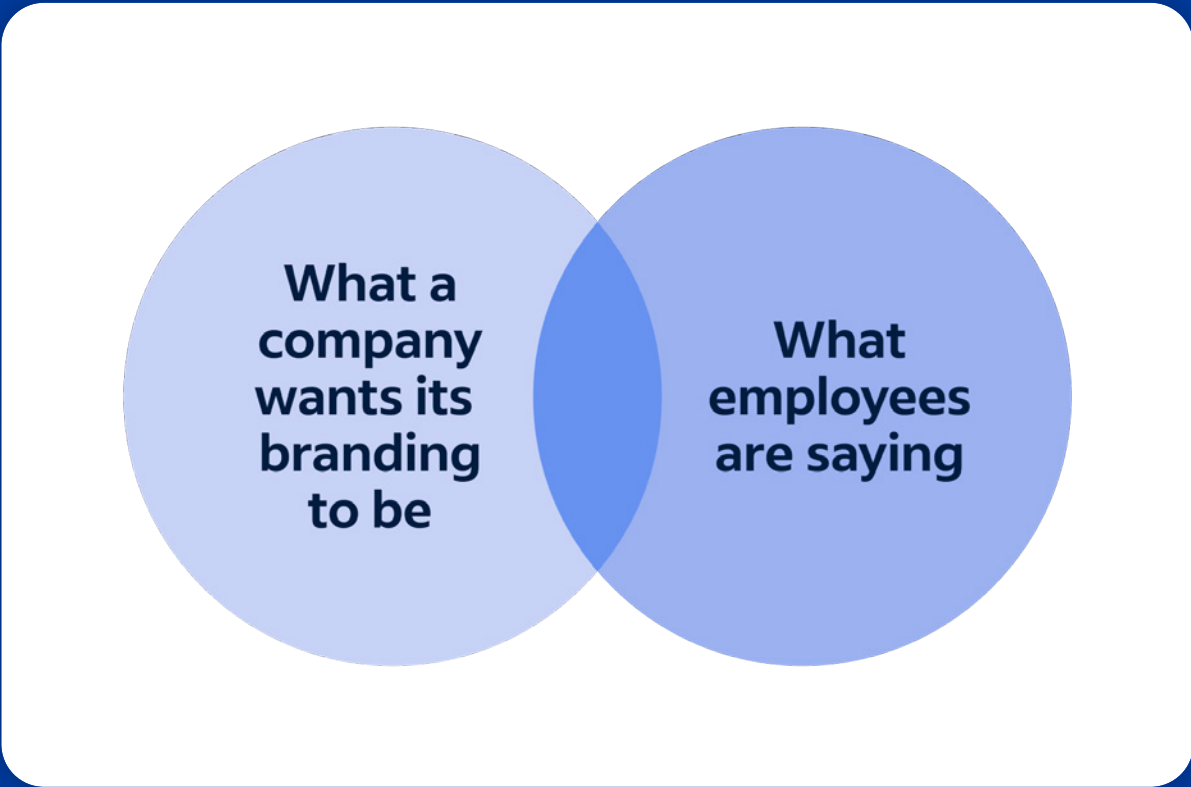
Achieving that all-important “excellent” employer brand takes deliberate, decisive, consistent action and commitment. Organizations must:

#1 Listen

Tuning into current sentiment with an eye on not just hearing it but truly understanding what employees have to say and why. From here, you'll have a better perspective on your employer brand and what's standing between you and an "excellent" reputation. Once you've homed in on overarching internal sentiment you'll also be better equipped to spot perceived gaps between your employer promise and employee experience.

#2 Reach

With a better-aligned employer story, the next step is to promote your brand to job seekers. By encouraging talent to learn more about your culture and values, you'll build a stronger reputation and increase candidate consideration.



#3 Influence

Likewise, by bridging the gap between your employer story and employee experience, you'll create a more positive, proactive, and enticing environment for individuals. That will, likely, enhance employee feedback and public-facing reviews—the first place many job seekers turn when considering career next steps.

Granted, employer branding tends to be somewhat fluid. Market conditions may change, leadership shifts, companies merge, and other major forces have the potential to disrupt even the most consistent employee messaging. During COVID-19 this was especially on display. Companies like Starbucks and Mayo Clinic leaned in and responded to employees’ real-time needs and built significant, positive sentiment both internally and externally.

These organizations and others like them continued to listen to employees’ right-now needs, shifting perks, benefits, and even pay. This, then, organically created added reach—internal and external messaging surrounding these added benefits designed to keep employees and their families safe and secure.

Identifying and overcoming employer branding hurdles

Despite the importance of a strong employer brand, two in five U.S. companies don’t have an employer branding strategy, while others don’t have the framework in place to effectively monitor and respond to much-needed shifts in their existing messaging. Others, still, aren’t clear on the direct impact employer branding has on their business, or the warning signs to look for that indicate theirs could be suffering.

If your organization falls into these buckets—or if you’re struggling with these common red flags—it’s time to dig in and see where you’re falling short.



Challenge #1
Consistently losing candidate traffic—and top talent—to the competition



Challenge #2
Low employer awareness



Challenge #3
Increasing time-to-hire and recruitment costs



Challenge #4
Higher-than-average—and quicker—turnover

Challenge #1

Consistently losing candidate traffic—and top talent—to the competition

Symptoms

You're seeing engagement with job posts and qualified applicants decline—and you're consistently losing top talent to competitors.

Diagnosis

There's a deep disconnect between the story you're telling and employees' authentic experiences within your organization.

Next Steps

Interview employees to better understand the elements of your brand promise that aren't resonating and take steps to bridge the gap—and to find advocates who can help portray a strong employer brand in the marketplace.

Once your employer brand is more shored up—and your employee advocates are at the ready—promote your employer brand via social, employee reviews, and curated experiences on sites like Glassdoor and Indeed Company Pages.



While it's essential to have a well-crafted employer brand, employee experience is even more critical: employee voice is considered three times more credible than a CEO's messaging.

Cultivating employee influence is an essential step in not just creating a strong employer brand but ensuring it's properly disseminated—and trusted—in the marketplace. Too often, though, companies market what they wish was true or, even, what used to be true or what they believe to be true: according to a KRC Research study, just 19% of 2,000 global employees surveyed felt strongly their experience syncs with their employer's public-facing employer brand.

Understandably, this lack of authenticity whether intentional or not can have a significant impact on candidate engagement and consideration. With people per job opening at new lows, employers who fail to deliver on employer promises are particularly disadvantaged when it comes to attracting and activating talent, and may see job post traffic and engagement dip over time.

Listen—and act—on employee insights

To identify and overcome these disconnects, tap into your greatest resource: your employees. Interview across departments and ranks, and understand if you're truly ladder up to your brand promise, at least from an employee perspective.

As you're kicking off these conversations, be sure to use direct, data-driven prompts. For example, instead of, "why do you think people are posting negative reviews about our benefits packages?" frame questions in what you know to be the truth. "We're being told employees feel our benefits are lagging behind competitive companies. What are some benefits you'd like to see added?"

Likewise for more broad-based cultural questions. Employees aren't likely to respond to questions like, "What are some leadership challenges?" while a question like, "Some of your colleagues have expressed frustration over a lack of growth opportunities. What do you think we could do to improve?" will likely spark thoughtful feedback.

Armed with a clearer view of what is and isn't resonating and what matters to your staff right now—you'll be better positioned to articulate your present-day employer brand. This, then, will ensure employee reviews and branding are more authentic and better aligned—and that will help candidates self-select more effectively. They'll understand what your business represents and, from an employee perspective, how you stand apart from the competition.



Activate your greatest influencers: employees

During your employee interviews, you'll also want to identify employee advocates who can help organically and authentically share their experiences in the marketplace. Then, with a better-aligned employer brand in place, use those influencers to spread the word.

With a better-aligned employer brand, you should also dig into your job seeker-facing platforms. Refresh company profiles, respond to reviews, update Glassdoor and Indeed Company Pages, and share employee insights and behind-the-scenes content on your social media platforms. Ideally, get employees to post and share directly to your company profiles—and theirs. The more candidates and job seekers can understand your unique culture and employee experience, the more likely they are to engage—and accept your offer.



Challenge #2

Low employer awareness

Symptoms

You aren't getting the job post traffic anticipated—and you're seeing competitive businesses scoop up top talent.

Diagnosis

If you're new to a market, for example, awareness around your organization could be holding you back.

Next Steps

Tap into your consumer branding—specifically, your mission, vision, and what customers have to say—to build your employer brand.

While potential candidates may not know a lot about your business, your most enthusiastic consumers, clients, or users do—and that consumer branding is often a good jumping-off point for efficiently building your employer brand. Start with your internal north stars—what your brand does particularly well—and flesh out from there. These are your organizational reasons to believe and, should a new employee join your business, they, too, will wind up rallying around these core messages and pillars.

From there, tap into the voice of the customer

- What are consumers saying about your business, products, and services?
- What’s behind your positive brand sentiment?
- What makes them buy into your brand promise—and what keeps them coming back?

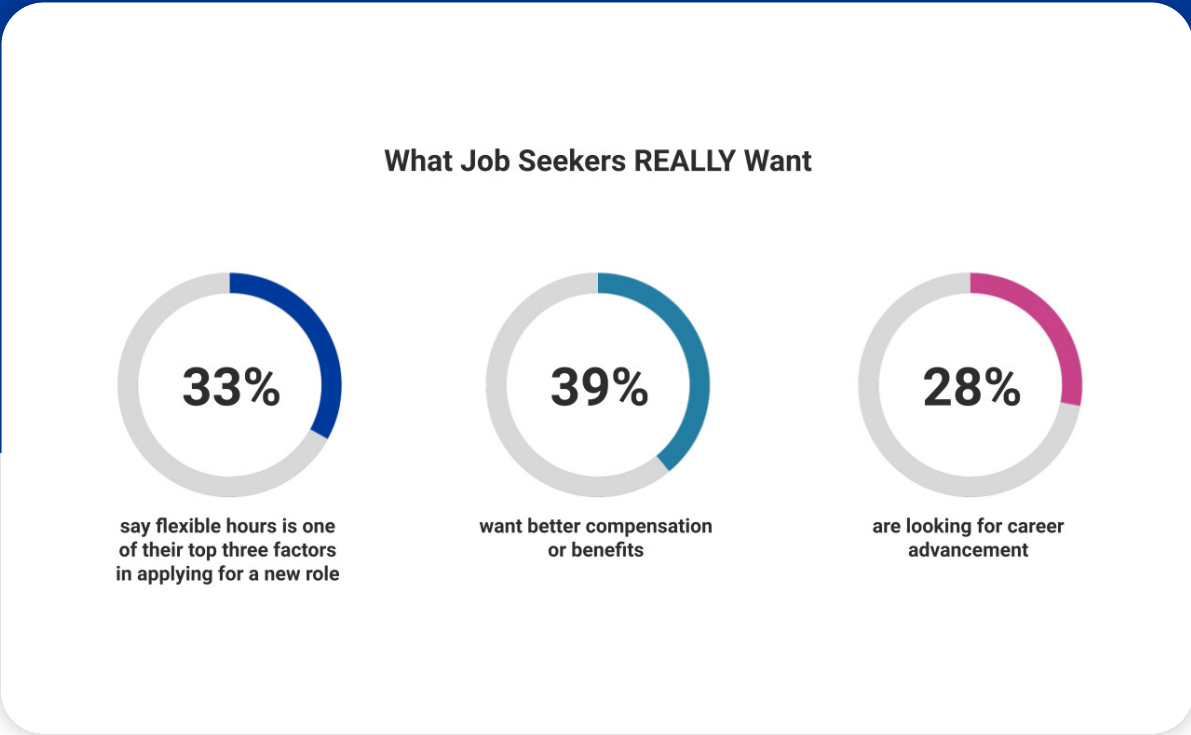
In many cases, you want your employees to believe in your product and identify with the mission—in other words, to understand what’s unique about your organization and leverage that to best promote your firm to future employees.

Syncing with employee priorities and experiences

Beyond that, it’s important to understand your market-specific conditions and what top talent wants right now. Especially now, those priorities continue to shift and evolve. Now, for example, more than half of job seekers consider flexible hours a key benefit and 28% are looking for career advancement. If you’re clear on what’s important to your core employee audience, bring those benefits and opportunities forward in job posts.

What job seekers REALLY want

As you’re assessing and refining your employer brand, consider what job seekers want right now—and if you’re offering these or other equally compelling benefits that differentiate you from the competition.



Source: Indeed, Special Report: What Job Seekers Want Now, May 2021.

Challenge #3

Increasing time-to-hire and recruitment costs

Symptoms

Your recruitment costs are skyrocketing—and so is your time-to-hire.

Diagnosis

Your employer branding is negatively impacting candidate engagement, proactive referrals, and time spent finding qualified hires.

Next Steps

Leverage employee reviews—and employee advocacy.

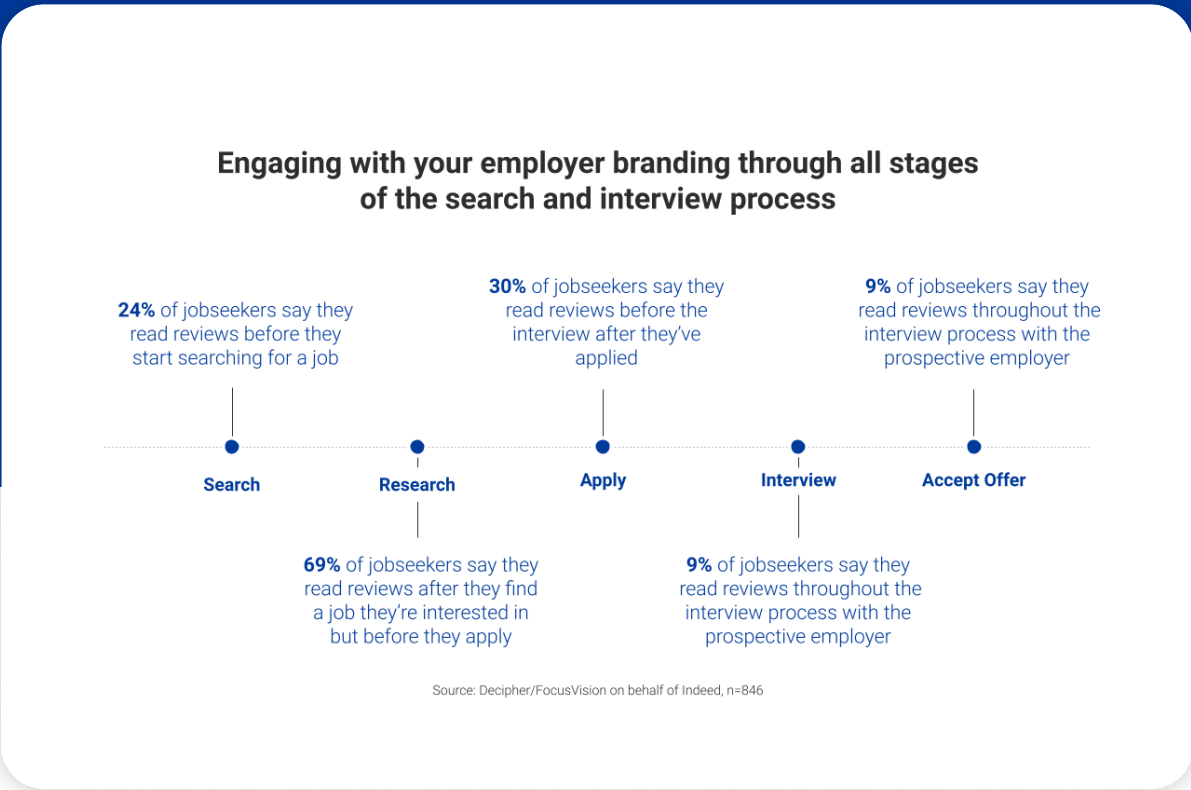
If your recruitment and hiring costs are continuing to rise, it's important to take a step back. Because employer branding can decrease recruiting costs, improving yours is truly an investment. While you may need to spend on improving and accelerating your employer brand via internal and external PR, social media, or behind-the-scenes videos, for example, combined with the strategies shared in challenges 1 and 2, you'll ultimately drive down recruiting expenses while mitigating turnover costs.

More and more, HR leaders say recruitment is more like marketing—spreading the word about their organization and the unique opportunities and benefits that come with joining the team. If your HR team is spending too much time getting the word out, though, it's important to step back and assess the impact your employer branding is having on recruitment.

Harnessing the power of employee reviews

A simple first step: reviewing online employee reviews. One in three workers has passed on a job offer because of negative employee feedback, while 86% of job seekers first research company reviews and ratings before deciding where to apply.

That said, negative reviews can also be an opportunity to learn about potential disconnects between your employer branding and the employee experience. Read feedback with an open mind and consider integrating comments into future employee Q&A sessions and exit interviews. If the poster indicates they're a current employee, invite them to connect directly with an HR leader or company executive—and ensure they know you value their feedback, and want to understand where their experience falls short.



Equally importantly, consider publicly responding to negative feedback. Not only does this show current and past employees you're engaged and open to their thoughts—good or bad—but it also indicates an important level of awareness and employee consideration among prospective applicants. Seven in 10 people say they've changed their opinion on a company after seeing a review response.



Activating employee advocates

On the flip side, with authentic employer branding and well-aligned employee promises, you'll build a community of advocates within your organization—people ready to share their positive experiences on social media, via employee reviews, and through proactive talent referrals. These touchpoints are incredibly powerful. Not only do candidates trust employee feedback but employees are best able to articulate an organization's culture, work/life balance, and overall experience.

Likewise, employees are often well-positioned to identify candidates who would best align with the organization. Together, this can translate to quicker hiring processes, lower recruitment costs, and decreased turnover. Referrals can also be an easy way to identify niche talent or individuals for hard-to-fill roles.

Challenge #4

Higher-than-average—and quicker—employee turnover

Symptoms

Employee turnover is higher than average, and new hires are leaving within months—weeks, even.

Diagnosis

Your employer branding—and employee promise—doesn't align with your actions.

Next Steps

Focus on exit interviews and current employee assessments to determine the disconnect, then focus on creating a sense of workplace belonging, purpose, and pride.

Employee turnover is a reality, especially in the current job seeker-centric, post-pandemic landscape. During this “[Great Resignation](#)” period, [48% of the U.S. working population is actively searching for a job](#) and worker disengagement is leading to a [loss in productivity across all sectors](#). Already, employers are at a disadvantage. But without the right employer branding, businesses may experience even more severe turnover.

Beyond just “Great Resignation”-inspired turnover, retention-related issues may relate directly back to misaligned or inauthentic employer branding—the same hurdles that, as discussed in Challenge #1, may lead to dips in job post traffic and qualified candidate applications.

Fulfilling on your employee promises

If at this point you've taken the time to capture authentic worker feedback and stories, you'll have also gained valuable information surrounding the employee experience. It's crucial your business puts these insights into action.

For example, you may find employees feel they were promised a specific culture—a culture of innovation, for example, flexibility, creativity, community, or career growth—and that's inconsistent with their experiences. By understanding this, you can work to improve your employee experience so it better aligns—and, with that, curb turnover among new hires and, overall, boost retention. This can have a significant bottom-line impact: replacing an employee typically costs six to nine months of that role's salary.

The turnover ripple effect

That's just one consideration. Losing an employee can have a significant impact on team morale, training discrepancies, and customer relationships. This, then, can drive increased dissatisfaction, employee reviews, and future turnover.

It's not just recent employees exiting. If companies fail to adjust and evolve employer branding, you may see an increase in longer-term hires exiting the company. For these employees, the current environment no longer mirrors what drew them to the company in the first place. In some cases, it's a natural evolution. In other cases, this departure is so significant—and so counter to an employee's wants, needs, and goals—that they opt to leave.

And of course, it can also lead to negative word of mouth and reviews on your employer branding pages, damaging your efforts to attract new talent.



Identify and bridge the employer branding gaps

To remedy these challenges, again, spend time reflecting on your current employer branding and, specifically, look for disconnects between your promise and what employees are experiencing. Spend time talking to new hires and longer-term talent and encourage open, honest communication and feedback—and be prepared to listen. If and when gaps exist between those outward promises and the existing environment, aim to patch them—or, at the very least, to align your employer messaging to be better synched with the authentic employee experience.

Those organizations that deliver on their employer branding promises are well-positioned to curb turnover and create long-term value for both employees and the business as a whole—companies that invest in employer branding may reduce turnover by up to 28%.

Patagonia, for example, has a strong, outward commitment to corporate social responsibility and work/life balance—and it delivers on its promises. As a result, the organization has a 6% voluntary turnover rate, compared to 35% for the retail industry.

From there, look for opportunities to better connect employees to your business. Seventy-nine percent of people say they consider a brand's mission before applying for a job and more than half of workers say that, when it comes to job satisfaction, company culture is more important than salary. Finding ways to drum up that sense of pride can go a long way in terms of retention and employee satisfaction.

Sports merchandise brand Fanatics focused on this pride-building during COVID-19. When mask shortages were rampant the company paused its merchandise production and began producing protective gowns and masks made from big-league uniform materials—and fans and employees proudly supported the shift. The company also produced sports-inspired masks for the NBA and WNBA, which were sold to raise money for hunger relief.

Again, efforts like these help employees feel like they're contributing to the greater good while finding purpose and meaning in their day-to-day. This pride directly impacts employer branding—not only are employees proud to share their experiences but when promoted via social media, company platforms, and PR initiatives it helps project the positive, proactive organization you are—an organization top talent wants to seek out.



Next steps: Assessing your employer branding wins and real-time hurdles

In an increasingly competitive, job seeker-first market, reputation matters. Today, it's essential organizations focus on their employer brand and, specifically, promoting a dynamic, authentic story that resonates with both prospective and current employees. From there, it's critical companies invite job seekers in via social media previews, employee reviews, and continued messaging surrounding their employer promises.

Reputation matters

69%

of job seekers in the U.S. agree that it has a significant impact on their decision of whether or not to accept a job offer.²

With the compelling, authentic employer branding that syncs with your employee experience, you'll see a decrease in recruiting costs and time-to-hire as well as talent and employee engagement and retention. Likewise, you'll be cultivating a community of not just successful employees but influential internal advocates—people who are more likely to recommend candidates, post positive reviews, and commit to their role and to the business for the long term. This is an ideal outcome that creates an endless funnel of prospective hires—people who understand and align with your employer brand and company culture and are prepared to dive in now and in the future.

Sources

1. [Glassdoor for Employers, 40+ Stats for Companies to Keep in Mind for 2021.](#)
2. [Indeed, The Key to Employer Branding: 4 tips for building a better talent brand, 2020.](#)