DEVELOP
YOUR EMPLOYER BRAND

5 steps for developing your employer brand strategy
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Introduction

Why would anyone work for your company?

What areas have the most potential to improve HR practices?

This short guide is our attempt to help you explore new HR initiatives which have been proven to work in this talent driven market.

We listed 5 most important steps for developing your Employer Brand strategy and how to make improvements in talent acquisition and retention.

We’re hoping this guide will help you to get these tasks done with clear understanding of every aspect of employer branding concept.
Strategy?
Before we start, let’s just repeat what a strategy is: a method or plan chosen to bring about a desired future, such as achievement of a goal or solution to a problem. Do not get cold feet about "strategic" topics. They only mean there should be some goals defined and some activities which will make those goals a reality. It does not have to be complicated, but it does have to be aligned with overall business goals.

Employer Brand?
We should probably repeat what Employer Brand is as well: an employer brand includes the market’s perception of your company as an employer, but also describes your promise (or employee value proposition = EVP) to employees in exchange for their experience, talents, skills.

Branding is a promise
This is very important part of Employer Branding - you should understand that branding is a promise - if you claim your company has the best training for young employees and the reality is completely different - than this can not be your EVP - because you are promising something and not delivering on it, therefore you will hurt your Employer Brand and fail to achieve goals related to it.
STEP 1: Figure out your challenges!

Employer branding strategy should be aligned with overall business and HR strategy. There is no use of building strong employer brand for IT developers if your business strategy is to become the best sales consultancy.

Employer brand is a clever way of reaching your HR related goals which reinforce your business goals.
Analysis

How to figure out your challenges / potential areas for impact which will help define employer brand strategy?

Here are few tips...

- **Perform a gap analysis** - helps you identify what resources your company has and what you’ll need in the future. When performing a gap analysis, you’ll assess your HR practices and infrastructure to determine where your company is falling short.
- **Survey your employees and job candidates** - it will highlight most important areas for improvement.
- **Analyse business strategy** and find areas where HR department/activities are important part of goal achievement or where HR has the skills to contribute.
- **Analyse the competition** and their HR/employer branding activities.
- **List all the challenges**, trends, nice-to-have's, technology needs and try to make sense of the most relevant ones for your business.
STEP 2:
Make clear goals and explain how each activity contributes

Based on Step #1 analysis you should be able to list several challenges and issues which have the potential to become goals for your employer brand strategy.
Analysis

This analysis should help you to focus on goals which have the highest impact on your organization and which, if invested in them, have the potential to make improvements.

☑ List your challenges

In order to reach several key goals, list every challenge/issue you have detected and score them based on complexity to change and overall business goals impact and add the monetary value (money) estimate of how much this challenge hurts your business.

For example:

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Complexity to change</th>
<th>Impact on business goals</th>
<th>Value estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our rewards and benefits are not a good fit to potential employees we want to hire</td>
<td>MEDIUM</td>
<td>HIGH</td>
<td>tbd</td>
</tr>
<tr>
<td>Sales turnover rate is 2x higher than the market average</td>
<td>HIGH</td>
<td>HIGH</td>
<td>1 mn</td>
</tr>
<tr>
<td>Our careers page is significantly worse compared to 3 main competitors</td>
<td>MEDIUM</td>
<td>MEDIUM</td>
<td>50 k</td>
</tr>
<tr>
<td>Job offer acceptance rate is significantly lower in business sales department</td>
<td>MEDIUM</td>
<td>HIGH</td>
<td>100 k</td>
</tr>
<tr>
<td>Our job ads are not appealing to target market and we have lower no of applicants</td>
<td>LOW</td>
<td>MEDIUM</td>
<td>95 k</td>
</tr>
<tr>
<td>Our digital marketing department needs to hire 2x more experts in the next 2 years</td>
<td>MEDIUM</td>
<td>HIGH</td>
<td>120 k</td>
</tr>
</tbody>
</table>

This analysis should help you to finalize Step #2 and focus on goals which have the highest impact on your organization and which, if invested in them, have the potential to make improvements.

Each “MEDIUM” or “HIGH” score should have a brief explanation - what is needed if you want to change/improve that challenge and why is this score low/medium/high. This will be important input for making a business case calculations.

You should have a clear understanding how much money is your company losing if you do nothing and how much money can you impact with your investments in employer branding activities.
STEP 2: Make clear goals and explain how each activity contributes

Outline of your Employer Brand strategy

The output of Step #2 should be an outline of your Employer brand strategy.

From prioritized list of challenges and your recommendations which activities and KPI’s should lead to improvements - your organization’s HR leaders and directors should be able to clearly understand how will employer branding activities improve business strategy and business goals delivery.

Based on your analysis, if you define that one of your goals for employer branding strategy should be to become a employer of choice for business sales people, you should be able to explain:

1. Why is this important for your company
   (what issues you are now having)

2. What investments will you need to execute that goal

3. What are main activities to enable goal achievement?

4. How will you measure you are on the right track (KPI’s and research).
STEP 3: Define your EVP and action plan

In previous steps you have identified a meaningful goal, calculated impact it has on your organization and now you need to put that plan into reality.
What is an action plan in terms of employer brand strategy?

Firstly, it depends on which goals you are trying to achieve.

In general, when having employer branding activities in place you should work on the following...

1. Have in-depth understanding of your EVP - employee value proposition

EVP is considered to be these two things, second one being more important:

a) **EVP statement** is a way to easily communicate the value your company offers to employees. It is a statement, a phrase, marketing slogan, something appealing and relevant for your target audience.

b) **EVP model** as everything of value that an employer provides to its employees – pay, benefits, training, career development opportunities and so on. EVP is a foundation to market your company to the workforce.

The more accurately your EVP reflects your organization’s corporate culture and work environment, the more likely it is to attract fitting candidates and employees. Your value proposition is the core of your competitive advantage. It clearly articulates why someone would want to come work for you instead of going to a competitor.
STEP 3: Define your EVP and action plan

EVP analysis

2. Have understanding which benefits and rewards should be innovative and different from others

Many companies have a lot of rewards and benefits. Many of those benefits are of no interest to employees and often are under-utilized.

If you want to make a next step in your benefits and EVP approach, you should be innovative and interesting enough to have something to market in the first place.

If you need to differentiate because it is hard to attract employees - you need to have different benefits compared to other companies fighting for the same talent.

The trick is, you can not just pull this out of your head, you should make a research and identify what really matters to employees you want to attract.

Of course, having in mind it is in line with your business strategy.

3. Validate your EVP - confirm your assumptions via research

You will spend a lot of time with key stakeholders in your company and you will form strong assumptions and model your employer brand universe in your organizations.

However, no matter what your ideas are and how well formed, you should validate EVP assumptions before pouring money and before making final program decisions.

Do targeted surveys, internally and externally, focus groups or in-depth interviews are some of the tools which can help you confirm or discards some of the assumptions.
EVP analysis

Constantly look for employee feedback.

Companies across all industries globally are developing more agile employee listening strategies that go beyond of the traditional one-time in a year employee survey.

Today, there are tools which make possible quarterly, monthly and even daily polls.

"Companies often think that EVP and employer branding is just a nicer way of saying what you already represent as a company.

No, it isn’t.

The purpose of employer branding is to FIGURE OUT what your employees and future employees want, what will make them happy, what is your company/culture about, how will your business strategy, needs and goals IMPACT all things related to your employees and how will your HR strategy benefit from employer branding activities."
STEP 3: Define your EVP and action plan

Segmentation

4. Segmentation

Not all benefits are relevant for entire workforce. If you have developed a job ad which fits perfectly with sales representatives, it is very hard to expect similar job ad which will attract IT professionals (or it might, but you need to be sure about it).

Workforce segmentation is very important if you want to fine tune your EVP, at least to a point where you are addressing most important segments (professionals) for your business needs. If those people are customer service agents, then you should focus on that segment. If you have the need to attract and retain top performers from every field, than you should align your EVP to attract those segments.

This can be confusing and hard to do sometimes. For example, if you claim your organization is investing a lot to develop talented employees and they will have plenty of challenging projects from day one, you might scare off average performers who you also need for those roles.

According to the 2016 Global Talent Management and Rewards survey from Willis Towers Watson, employers that offer customized benefit programs are three times more likely to have highly-engaged staff. Segmentation approach is the foundation to strategic talent management because it helps to understand potential value creation and costs to retain top talent.
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STEP 3: Define your EVP and action plan

Segmentation

4.a. Three-step process to get started

1. Identify critical jobs
   The basis for the segmentation in this example is to identify "critical jobs". This means to list every job that has high impact on organizational performance and future development.

2. Segment employees
   Develop a model for meaningful talent segmentation which takes into account characteristics of employees and why should they be perceived as talented. Individuals may be assigned to multiple segments.

3. Critical jobs without top talent
   Identify critical jobs with non-top talent. Look for opportunities to better match critical jobs and top talent.

Some segments could be:
- CEO Successors
- Level 1 Successors
- Leadership
- Functional/Technical
- Diversity

4.b. Segmentation models

There are many different approaches to segment your workforce, and many of them are aligned with traditional views of the organization - dividing employees based on hierarchy, age, pay grade or something similar. These segmentation are of no value to strategic talent management and employer branding.

The most relevant segmentation is based on the VALUE each employee has for your organisation and SKILLS which enable them to deliver that value. However, this is not so easy to model in real-life. Many organizations have different value models. Some companies deliver innovative products and sell less quantities for a premium price, some value models have core competences in logistic and distribution and some are delivering cheap products and their competitive advantage lies in cost reduction and productivity.

Your task here is to define what would be a VALUE model for your organization and how would that value model serve as a foundation for employee segmentation.

For example, model done by AWS is Skills-Based Workforce Segmentation Model, adapted from the work of Lepak and Snell (1999), provides a basis for analysing and segmenting roles according to two dimensions of skills:

a) skill value and their impact; and
b) skills uniqueness.
### Segmentation

Roles can be assessed according to their decision making responsibility in the above 9 areas and their impact:

1. **Sales and Revenue** – maintaining or increasing sales to existing customers, securing new customer sales, optimising prices
2. **Stakeholder Relations** – contributing to customer service/satisfaction, maintaining the organisation’s reputation or brand with stakeholders
3. **Costs** – achieving efficiencies in production and delivery of products and services
4. **Quality** – maintaining or enhancing the quality of products and services
5. **Innovation** – incorporating research and development, strategy, design, capital expenditure, securing resources, feasibility studies, marketing research, etc., all relating to developing existing or new products and services
6. **Organisational Capability** – contributing to organisational efficiency, recruitment, development, and the engagement and retention of people
7. **Reputation/Risk Management** – risk management and compliance, protecting the organisation’s reputation
8. **Financial Performance** – doing cash flow models, raising money or borrowings from banks, ROI, tax management.

You create a questionnaire which can help you grade employees on these 9 areas and plot them based on scores achieved.

As another example, one Asian telecom designed bundled employment structures and incentive packages for sales force to appeal to four basic employee segments, each a different psychographic group. For example, “Hungry and Ambitious” workers, eager to maximize their income, could opt for a pay-for-performance arrangement that provided a relatively low salary but allowed them to achieve sizeable bonuses for exceeding performance and quality goals. “Waiting for Retirement” employees could work only part time and still qualify for their retirement pensions.

Segmenting helped the company increase field force performance by 70% and reduce unit costs by 30%. It also helped the telecom to optimize training costs - it could focus training efforts on employees who truly wanted to improve productivity.
STEP 4: Employee experience as a foundation for EVP and your company story

You have identified business challenges, translated them into employer brand strategy and goals, analysed and optimized your EVP. Now is the time to share that to the world. Now you have something which you should be proud of and what everyone in your organization should be aligned to - to build employer brand and reach objectives you have set in your strategy.
EVP touchpoints

Everything you have done for bringing EVP to life should become a part of employee experiences.

This means, every process relevant for your existing and future employees should be analysed and optimized for employer branding goals achievement.

✅ Employee / Candidate Journey Map

To analyse how employees perceive your processes, HR has adopted a well-known marketing tool - Customer Journey Map, or in this case - Employee/Candidate Journey Map.

This tools helps you to write down every interaction (touch-point) between employee (job candidate) and organisation and then to figure out is this touch-point creating experience which supports your employer branding goals.

Source: adopted from thehighermix.com
How to communicate your EVP messages and what does it mean?

The main objective of marketing employer branding externally, is to appeal to a specific target group.

The primary goals of employer brand communications are:

× the engagement of target group
× conveying the desired message and
× forming a more unique and favourable brand image.

Internal marketing of the employer branding process is targeted towards the existing members of personnel. Marketing towards internal stakeholders aims to ensure that employees are engaged in the values and goals of a company.

Your employees should be the ones with the most favourable perception of the brand.

Communication strategy of employer brand has two main segments, both being quite challenging for many organisations:
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Tell your employer brand story based on these 7 main components:

- **People**
  People want to know who they’ll work with. Create authentic content with people.

- **Wow Factor**
  Your wow factor needs to be amplified through your employer brand.

- **Learning and Development**
  Good employees seek opportunities for personal growth in the same way your leadership seeks company growth.

- **Values**
  Well-articulated and understood values create a framework that helps employees make decisions and set priorities. They also make it clear which candidates to look for.

- **Work Routines and Practices**
  The rules of a system largely define who will succeed in that system.

- **Social Hive**
  Workplace fun was a stronger predictor of applicant attraction than compensation and opportunities for advancement (2012 study). Describe how the right candidates would fit into and have fun with your work community.

- **Space and Location**
  Candidates are always eager to get a look at a company’s offices, decorations, desk arrangements...

- **Perks**
  Perks and compensation are a weak selling point. Unless your perks are truly unique and reflect your values, they should be more of a footnote than a cornerstone of your employer story.

*Source: adapted from Job Portraits article*

**Interesting to note - perks and compensation are considered as weak selling points.**
You should avoid mentioning compensation as employer branding component and differentiate on other levels. If perks and compensation are somewhat unique and very well fit into your company values, then they can be highlighted (for example, AirBnB and their 2,000 USD perk to their employees for travel).

Job Portraits have prepared a Worksheet where you have additional resources to apply this methodology. You can find it here: [A Step-by-Step Guide to Uncovering Your Employee Value Propositions](#)
Communication channels

Channels can be divided into internal channels (for employees) and external (for job candidates).

Channels of communication are the means through which people receive your message or communicate in an organization. These are like e-mail, SMS, internet, video, in-person, etc. However, when talking about channels, in this article we are talking about touch points where employees and job candidates consume your messages.

Application process
Very strong touch-point for job candidates. If you have done something well and engaged them to apply, you do not want to ruin that experience with the application itself and lose the candidate in that process.
It should be optimized for your hiring process, it should be easy, smooth, without 18 steps to submit every detail twice, etc. Yes, you need to gather data, but tread lightly.

Career Site
The home of your EVP and employer branding. It is the place where you have the most power to communicate your message in a controlled environment. You want to attract job applicants there and you want to inspire them to apply or come back and explore job opportunities at your organisation. If you want to differentiate - you do not want it to look like any other Career Site. This is your most important asset and it only makes sense to invest into creating great brand experience.

Career Blog
Career Blog is an extension of your Career Site where you have the less formal, more storytelling content which should enhance your employer brand in an authentic way.

Social Media
Social media is the place where your job candidates and employees spend majority of their free time. It makes sense to create high quality content which can engage your community and potential employees. The sky is the limit here, but it takes time and resources to build and regularly post.

Career Newsletters
Career Newsletters can help you constantly engage your audience. If you attract them to your website once, newsletter could be the only way to keep this communication going - if candidate has shown interest to visit your site, maybe it makes sense to keep them in your talent pool or at least informed about new career opportunities.

STEP 4: Employee experience as a foundation for EVP and your company story
Communication channels

Employee Referrals
Employee Referrals are powerful way to attract good culture fit candidates. Everyone wins if employees have the power to recommend good job candidates because they are the one which are most familiar with your culture. Employee referrals don’t work if your employees are not comfortable to recommend their friends and if they are unhappy at work.

Employment agencies
Employment agencies which you use to help you in hiring/sourcing may have strong influence on your employer brand. Make sure they have all the notes and guides.

Job ads
Job ads are critical point in reaching your objectives as well. They should be segmented, unique, offer all the relevant information to your target group and engage candidates to apply.

In-person touchpoints
In-person touch points like workshops, seminars, meet-ups, campus events, lectures from your employees to students or at a conferences. They represent unique opportunity to test your employer branding messages and their effectiveness.

- Intranet resources - web site, career support, HR tools employees use...
- Onboarding materials
- Brand ambassadors
- Managers
- Top management of your organization

For additional guidance about communication strategy in general, we recommend this excellent in-depth overview by Myk Pono which will help you to understand this topic a bit better:

Strategic Communication: How to Develop Strategic Messaging and Positioning
STEP 5: Measure, analyse, gather more data, optimize...

Alongside defined strategy and goals, you should have defined KPI’s which can be measured within organization and which are relevant for goal achievement.
You have probably noticed that once the company makes its business strategy for the next 2 or 4 years, this strategic planning process is **being repeated EACH year.**

This is how companies manage their operations. They analyse strategic KPI’s, deep dive wherever is needed to get a better understanding why some KPI’s are not as planned and they make **new plans based on actual data, lessons learned, new trends, new investments, etc.**

The same goes with employer branding strategy. It has to be managed, it has to be measured and it should be optimized and re-evaluated over and over again. Once you keep rolling with it, you can’t stop and forget about it.

Alongside defined strategy and goals, you should have **defined KPI’s which can be measured within organization and which are relevant for goal achievement.**

Here are a few examples of goals and KPI’s:

**GOAL:**
**to decrease time-to-hire by 10% until 2021**

- **KPI’s** **TO MEASURE GOAL ACHIEVEMENT:**
  - time-to-hire in days
  - time-to-hire per department
  - time-to-hire per manager/recruiter
  - cost of vacancy

**GOAL:**
**to become number one employer of choice in Zagreb**

- **KPI’s** **TO MEASURE GOAL ACHIEVEMENT:**
  - external research/lists/publications of best employers and best places to work
  - surveys of job candidates (external and internal for new hires)
  - brand awareness research - top of mind brand in candidates perception
Examples of goals and KPI’s:

**GOAL:**

to increase quality of hire until 2021

**KPI’S TO MEASURE GOAL ACHIEVEMENT:**
- quality of hire based on performance in first 6 and 12 months
- internal 360 feedback
- turnover in first 6 to 12 months
- performance evaluations
- promotions (and other advancements of new hires) in first 6 to 12 months, and similar

**GOAL:**
to implement employee referral program by 2020 and get 5% new hires from that channel

**KPI’S TO MEASURE GOAL ACHIEVEMENT:**
- number of employee referrals
- number of new hires
- money spent on incentives
- turnover of referred employees
- % share of new hires in total new hires
- quality of hire of new hires via referrals
- time-to-hire via referrals

**GOAL:**
to improve number of job applications via Career Site by 20% by 2021

**KPI’S TO MEASURE GOAL ACHIEVEMENT:**
- number of career site visits
- number of applications to open positions
- number of open applications (candidates proactively apply)
- number of applications started but not finished
- candidate acquisition (from which channels have they arrived to your career site)
- source of application (from which channels have applications arrived)
- money spent on content and career site promotion per each application (total money spent / total number of job applicants in each quarter)

STEP 5:
Measure, analyse, gather more data, optimize...
To conclude...

**How to measure your employer brand success?**

We encourage you to be innovative and really think through what would be meaningful and relevant KPI’s for your goals and activities.

The **LESS** you have them, the better, as long as they are strong and reliable to measure.

And don’t be afraid about taking responsibility for new KPI’s, it is always hard in the beginning, but it is the right path to go.

What you and your teams create, will make a lasting impact on your organisations.
CareerCentar helps companies to improve hiring with online and video testing and give better opportunities to job applicants to participate in the selection process.

We write about hiring, analytics, employer branding, HR best practices and if you would like to stay in touch, follow us on Linkedin or create a user account here and join our community.

Our Employer Branding Strategy Consulting offers advisory in the following areas:

- Employer Branding Strategy
- Research and Data Analysis
- Talent Strategy
- Employer Value Proposition
- Content Management and Analysis
- Decision Support

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