

Guide

Employer Branding

Personio

Table of Contents

01 Introduction

An overview of what you'll need to develop your employer brand (and why it's so important).

02 Employer Value Proposition (EVP)

Learn how to define your EVP, what to include, and why.

03 Establishing Market Position

Setting goals, target groups, and deciding on messaging for your brand.

04 Candidate Experience

What you can do to ensure that applicants speak highly of your company.

05 Employee Retention

Top talent is critical for your company's success. What's the best way to retain it?

06 Conclusion

Is employer branding really worth the investment? Find our key learnings here.

These days, companies not only have to brand themselves for customers, but also for potential employees. Employer branding helps with market positioning and to improve other HR processes – from recruiting to employee retention.

This e-book provides you with the tips you need for effective employer branding and suggests specific initiatives for your organization to try.

Companies that set themselves apart from their competitors have a better chance of attracting and retaining skilled employees.

Introduction

Define Employer Value

its employer branding strategy, it should first clearly define its employer value proposition (EVP): Why exactly should applicants be interested in your company?

Ask yourself: What differentiates you from your competitors?
As an employer, what can you expect of your employees?

The answers to these questions form the basis for the wording of your EVP, and ultimately, how you will create your employer brand.

Employer Value Proposition

The value that a company promises to provide in relation to employee work environment. This includes everything from workplace design, compensation, to career development programs and training opportunities.

In brief

An employer uses an attractive value proposition to win over talented candidates in the market. Like a good application, an employer value proposition should be both attractive and realistic. It's critical that employers prepare their EVP with great care. To do that, your company should consider the following points:

Why an Employer Value Proposition is so important

Ten years ago, employers found themselves in a privileged situation when selecting suitable employees. Potential candidates were thoroughly screened during the application process, while employers only revealed very little about themselves. When hires were made, employers knew a lot about employees, but employees knew very little about their future job.

What a CV is to an applicant, the employer value proposition is to a company.

How do you define an EVP?

Every successful job application leads to an interview at some point, which is the first personal contact with the company. In order to win the best talent, companies can advertise themselves with an attractive, well-crafted employer value proposition. It sharpens your identity as an employer and it strengthens your brand. However, developing one requires time and a targeted approach.

Who should be involved in creating your EVP?

Some industry experts recommend to only involve a core group of people in the company when creating your EVP. In practice, that means that this project group both drives the creation of your EVP and is responsible for the HR marketing later.

At the kick-off meeting, the project team should start to create a basic framework designed for your long-term plan. An EVP is tied to the strategy and culture of the company, and for that reason, employees, HR managers, and management must contribute to it.

What are EVP target groups?

The effectiveness of an EVP is always directly related to a specific target group. Ask yourself: Who do you want to address? This should be your first question. We recommend that you first develop a high-level, generic EVP. Then you can tailor it to specific groups of employees later on, depending on the positions and departments you need to recruit for.

For example, candidates for a job at your headquarters will likely respond to a different EVP than prospective employees who are applying to a regional or international office location.

Elements of an Employer Value Proposition

No two EVPs are ever the same. The challenge of creating one is to work out what your strengths areas an employer. To do this, you should ask the question: What arguments do we have to really convince potential applicants to apply for a job with us?

These arguments can vary substantially, but here are the most important aspects:

01 Compensation

This should always be your starting point, serving as guidance for the rest of your value proposition. It can be set below, at, or above market average.

Depending on the level set, elements outside of compensation will be more or less important.

However, a high salary cannot compensate for an awful work environment long-term. Companies that reward average or below average compensation need other unique features to be attractive to both established and young professionals.

02 Work environment

One of the most important factors outside of compensation is the work environment. This may include factors such as high-quality equipment and furniture, the set-up of your office space, beverages and snacks for employees, or even the option to work from home. To someone in a young target group that places a high value on a healthy work-life balance and flexible working conditions, these are important factors.

03 Corporate culture

The values that a company stands for and whether applicants relate to them can also play an important role. Corporate culture can include a stance toward human, social, or political issues. To many applicants who are looking for long-term employment, it is important that their employer shares a similar attitude to these, at least on fundamental issues. At the end of the day, most employees want to be able to go to work with a good conscience.

04 Career opportunities

How good are the career opportunities in your company? The answer to this question can also give your company a competitive advantage. Does your company nurture its employees and their talents? Does it offer free professional training and development? Is it possible to move into a leadership role within a reasonable period of time? Are there positive examples of long-standing employees who have enjoyed successful careers? Companies whose HR marketing and employer value proposition show clear opportunities will score points with high-potential candidates.

06 Competitive advantage

Under no circumstances should companies copy a rival company when putting together their EVP. Doing so prevents you from creating something unique and does not ensure that you best address your target group. Nevertheless, it is advisable to keep an eye on the value propositions and recruitment marketing activities of direct competitors. If competitors are missing a particular value proposition that you have, you should place particular emphasis on this. Because specific EVP factors such as compensation or advancement opportunities are not always openly communicated, you can employ 'undercover' methods. For example, you can attend career fairs and search for information on competitors – a common practice in many companies.

05 Job security

How can an established company compete with young, agile startups? They can do so by emphasizing their stability and job security. A long history, continuous growth, or a leading role in the market all give an employee a sense of security. The feeling that their job will not be at risk from external economic factors can be crucial for attracting candidates who are more security-oriented.

07 Employee insights

The simplest way to find out your own company's strengths, from an employee perspective, is to simply ask employees directly. Use questionnaires or qualitative interviews, for example, to gain important insights. Your questions should focus on why an employee decided on the company, why they still like working there, and why they might recommend the company to a friend.

Once you have defined your target groups, analyzed your strengths from an internal and external perspective, and documented your competitors' weaknesses, it's time to formulate a final EVP. Companies should follow these basic rules:

The more individual the EVP, the more credible and well-formulated it is. Companies should therefore refrain from generic expressions like good career opportunities' or 'wide-ranging tasks'. Applicants have heard these things over and over and they sound meaningless and uninspiring.

Employers should try to avoid generic arguments. Stringing together self-praise ad nauseam comes across as less believable than a detailed description with a few arguments that really connect.

In the end, what counts with the EVP is honesty and a realistic view of your company. Employees who are disappointed by broken promises can do a lot of damage to your employer brand. A well-conceived EVP supports employee recruiting, retention, and motivation.

Tips for formulating your Employer Value Proposition

What are your company, employee and candidate values?

The more overlap there is, the better. Your corporate culture is based on what your company stands for and will directly determine your success – read our full guide to the topic by clicking below.

You have defined your EVPs. What now?

Spread the word

Once your EVPs are ready, the first step is to make them accessible to employees and potential applicants. You can do this internally via communication channels and externally in the career section of your website. The promises that you communicate in both should be realistic and consistent. What you write in the 'about us' section of your website should be consistent with what candidates see in your job advertisements

Check them regularly

Clear and credible positioning on the recruitment market is only successful if promises are still realistic and your EVPs are regularly given a reality check. Feedback from employee discussions and surveys should be evaluated and taken into consideration. If necessary, you should adapt your promises.

Establishing market position

Ask yourself: Which channels will you select? Where would you like your target group to be exposed to your brand? How will you appeal to your target group?

Dieses Schaubild zeigt einen Recruiting Funnel mit möglichen Touchpoints und Kanälen:

Possible Channels

Display ads

Video ads

Social media ads

Job ads

Search engines

Content marketing

Job apps

Career fairs

Social sharing

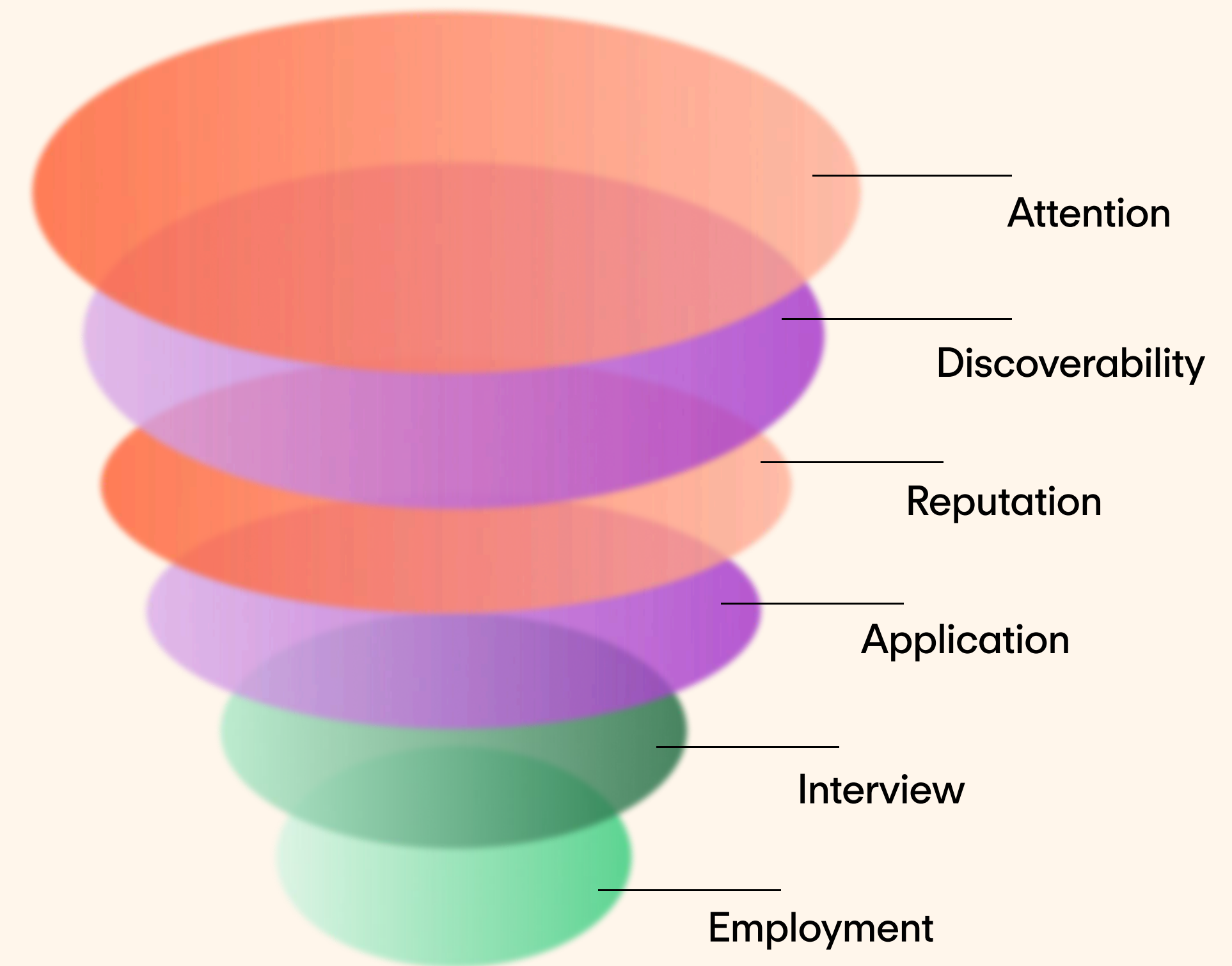
Native ads

Videos

Google ads

Job boards

Social media profiles



Creating connection to your employer brand

If you want your target group to notice and remember your value proposition, you have to appeal on an emotional level.

‘Emotionalization’ of products is already standard in classic brand marketing, whereby products are charged with positive attributes using targeted imagery and language. The aim is to have both your product and brand generate positive associations in order to induce the consumer to make a purchase.

In employer branding, this emotional connection is just as important, because the decision to choose an employer is also made on an emotional level.

How to build a connection

Firstly, you should try to create as many points of contact as possible. This includes initiatives such as sponsoring events, creating exhibition booths, giving presentations, or offering internships for future applicants.

At events like these, potential employees may encounter your company for the first time. While there, they can examine your value proposition and see for themselves how true it is. In a best case scenario, this will create a positive association with your employer brand.

Employees can become your brand ambassadors

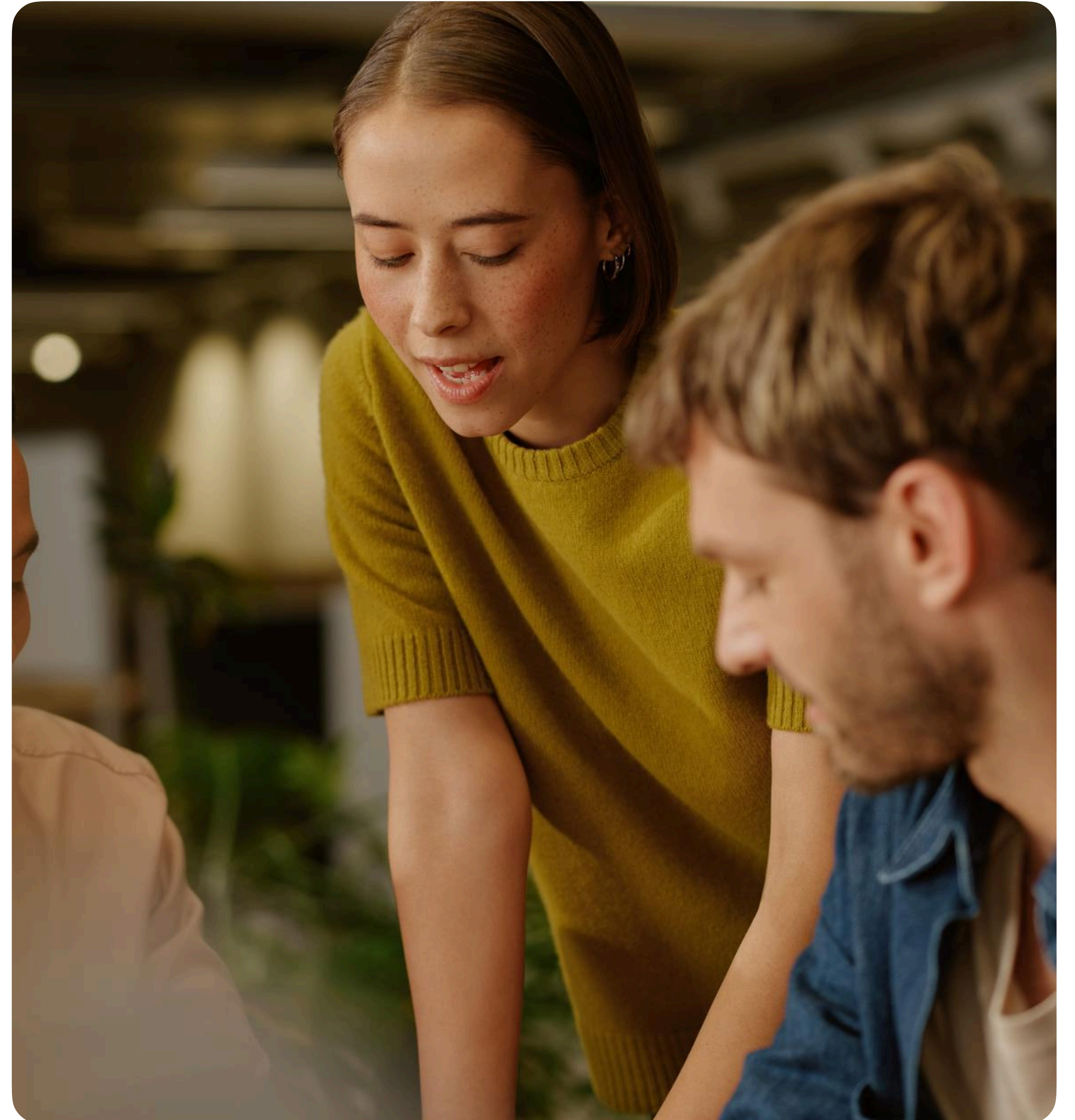
Satisfied employees play a central role in the development of a strong and credible employer brand. They are more authentic than any advertising campaign or recruiter.

When talented interns encounter frustrated employees, it can have a dramatic impact on employer image, while a motivated employee can have a reassuring effect. The fact is that companies do not always get to choose which employees function as brand ambassadors and which do not.

Everybody talks about how things are at the office. Dissatisfaction at work can automatically transform employees into negative brand ambassadors who damage the organization's reputation. This is something every HR department needs to be aware of.

In selecting new employees, a company needs to consider whether an applicant would be happy there long-term. After all, even the most talented professionals can harm the employer's brand if expectations and actual working conditions don't align.

Not only do investments in creating a good work atmosphere have an impact on motivation and retention, they also contribute to employer brand in the long term.



Employee testimonials

Companies do however have a choice in selecting specific testimonials from among their pool of employees.

Employees who identify strongly with the company are often happy to be its public face and to provide a testimonial. Testimonials can take a range of forms, from simple surveys to entertaining short films in which employees play the main role.

While employee testimonials do not have quite the same degree of credibility as private meetings with employees, they can be an effective way to enhance your image.

Even the selection of employees for trade fair stands and public events should be considered carefully as they will have a testimonial element to them. Choosing and encouraging employees to take part in testimonials is one of many ways to promote employee retention.

Before a busy hiring period, a company can try to spruce up its image. Many who are looking for a new job consider the job search and application process to be stressful and annoying. However, with the a smooth candidate experience, organizations can stand out in a positive way.

The term 'candidate experience' refers to the perceptions and experiences a candidate collects during the application process with a potential employer.

The application process is becoming more important for a unified employer branding strategy. These days, every detail counts in the competition for recruiting talent on the market, from the recruiting video to the handshake at the interview.

Today, talented young candidates choose their employer, not the other way around. The impression a company makes happens long before the job actually starts. Aside from the value proposition a company gives the candidate at hiring stage, there are many smaller but important moments an applicant goes through during their application process.

**Candidate experience:
from first contact to hiring**

The candidate experience during recruitment

01 Attraction phase

The first phase is about the initial contact between the company and the candidate. This can mean an elaborate recruiting campaign, a positive discussion at a job fair, or a recommendation from a friend. This experience should inspire the candidate to gather some initial information about the employer who they still do not know that much about.

02 Information phase

Normally, the second phase leads the candidate to the company website, usually to the career page. There, they should find a professional job description, which ideally will appear to reflect their abilities and expectations. The company's overall presentation should confirm that first positive impression through its professionalism, consistency, and attractiveness.

03 Application phase

The candidate is now ready to write an application and complete the company's formal application requirements. Online forms should be prepared clearly, uploading documents should work without any problems, and the confirmation email should sound friendly and inviting. The candidate should feel validated that they have found the right company. Login forms that are tedious to fill out or pages that take longer than five seconds to load may deter applicants. Candidates will appreciate user-friendly processes.

04 Selection phase

This phase includes scheduling a meeting, explaining the structure of the interview process, and all follow-up communication. Here, the candidate first comes in contact with people who represent the company culture. Through their previous experiences from a distance, they have ideally developed a positive impression that will now be compared to real experiences. Your recruitment teams should try to ensure that there is no discrepancy between these two experiences.

05 Onboarding phase

The welcoming culture that attracted the candidate in the first place must not end abruptly once they are hired. After all, it was an important element in their decision. A successful application should be followed by a smooth and welcoming onboarding process, which eases the candidate's entry into daily life at the company. If that is not the case, the new hire can quickly develop the impression that the friendly contact they experienced during the application process was only a recruiting tool.

06 Retention phase

The candidate experience only evolves into an employee experience once the new hire no longer feels like a stranger, but like an integral part of the company. Until this point, there is an increased danger of losing new employees early due to insufficient integration. Companies should develop structures with all new hires to examine whether onboarding runs smoothly.



What can scare off candidates

Not all employers realize that they need to make their application process as pleasant and affirming as possible for applicants.

The German online jobs portal Karrierebibel did a survey that asked applicants which aspects they found to be most stressful during the application process.

The clear number one was around feedback following an application. This included when a rejection was not transparent, or when they received no answer at all, which annoyed respondents the most. Complicated application systems and unpleasant questions during interviews were also extremely unpopular.

Companies should take this kind of feedback seriously and review their processes accordingly.

Today, it is not enough to only satisfy the best qualified candidates. Rejected candidates can quickly damage your employer brand. A negative candidate experience can result in negative posts in forums or word of mouth.

However, if you get the experience right, it means that a satisfied applicant – whether successful or not – frequently has a positive application experience to share.

According to the 2013 Candidate Experience Report, 81% of all applicants tell their friends about positive experiences with application processes.

What attracts candidates?

A positive candidate experience is characterized by a feeling of appreciation and respect that should come across to all candidates. This feeling can be generated in all phases of the application process.

It can include a well thought out campaign; a well-designed career page; a straightforward application portal that quickly takes the applicant to where they want to go; no waiting on the day of hiring selection; and fast, individual, and meaningful feedback, independent of rejection or acceptance.

In all of these aspects, you should reinforce that the company appreciates the applicants' initiative and takes them seriously. You can draw a comparison with customer service: In this case, it is not the customer, but the applicant who is king.

How can a company set itself apart?

Showing a feeling of appreciation for the candidate is the basis for any positive candidate experience. It is possible for companies to leave a lasting impression with relatively little effort.

The 2016 Candidate Experience Report lists which moments left a particularly good impression on applicants during the application phase. These included aspects like further information on what comes next, a thank-you email after receiving the application, and the option to apply online with a social media profile. Information on the estimated duration of the application was also positively received.

Make it easy for your applicants.

An application process that's actually fun? For most job seekers, that is still unimaginable. Companies should take the opportunity to make the application process pleasant and easy for their candidates.

This sort of commitment pays dividends on several levels. It attracts talented candidates to the company. It creates more relaxed candidate who show their true self more easily, and builds a higher probability of them recommending the company, regardless of how the application process turns out.

Employee retention: how companies keep great talent

Attracting talent is a challenge for companies – retaining them is an art: What do organizations need to keep in mind in order to prevent employee turnover? For companies, a shortage of skilled employees means having to invest time and money in retaining their top performers to prevent them from switching to a more attractive employer. These kinds of strategies and initiatives are summarized under the term 'retention management'.

The better the selection, the simpler the retention

Retention management includes all of the things a company can do to maintain an employee's loyalty to the company.

Employee retention does not begin on the first day of work.

The foundation is laid during the selection process with the right candidate experience, which can create a long-lasting affiliation between employee and company. HR teams are responsible for identifying those candidates whose profiles best fit the company.

An applicant who seems highly talented but does not have realistic expectations will be difficult to keep. Once you decide a candidate has the right skills, you will need to figure out whether they will be able to feel fulfilled and satisfied working at the company.

One way to answer this question is to check whether the candidate's expectations align with your employer value proposition.

Satisfaction: the basis of loyalty

As sociologists Timothy Butler and James Waldrop discovered, there are three primary factors that will determine employee satisfaction on the job: skills, moral values, and interests.

In order to feel satisfied, an employee needs to have the right skills and capabilities for their job. A feeling of incompetence can trigger defence mechanisms or a tendency to withdraw.

The company's moral values have to align with the employee's values and its reward system must feel fair to the employee. Reward models can include financial incentives, the creation of a good atmosphere, recognition, and career progression. However, there is a high potential for conflict with these.

In addition, daily tasks should closely overlap with an employee's personal interests if possible, since these are firmly linked to building a natural 'fun factor' of the work.

Surveys have shown that salary ranks as of surprisingly low importance when people change employers. Soft factors, which can be summarized under the umbrella term 'satisfaction', are growing in significance.

If you can get the factors discussed above right, you can build a solid foundation for a positive employer-employee relationship. This can then be complemented further with targeted initiatives.

Employee retention initiatives

Employer goodwill can also be used as an effective employee retention tool. This can begin with flexible work models such as working from home, part-time working, or the option to take a sabbatical.

Many companies now offer basic food and drinks in the office, like water, fruit, and coffee. Employers can also endear themselves to employees by providing a large selection of high-quality food and drink items (particularly coffee).

Additional benefits to consider include team events, company sports, subsidized gym memberships, subsidized travel costs, and other small financial incentives. The more perks are individually tailored to employees, the stronger the feeling of appreciation that develops.

The best and most well-known example of a broad palette of retention tools is at Google. The internet giant offers its employees state of the art working conditions. Anyone who leaves the company has to first consider giving up a wonderful work environment and its perks, making this decision much more difficult.

Feedback: costs nothing, delivers a lot

A lively feedback culture is an often underestimated employee retention tool. However, it is worth noting that if a top performer has already decided on leaving, it is usually too late for the company to convince them to stay.

Companies who regularly ask employees for their opinion can address growing problems early on. This shows an appreciation for staff well-being, which has a positive effect on retention. Exit interviews can be also valuable. They provide information about grievances in the company, as well as recruitment strategies of rival companies.

Selective employee retention

Employee retention initiatives cost money. A broad range of activities that show appreciation generally makes sense, but companies should also think about which employees are really worth investing in. From an economic perspective, longtime top performers, young talent, and managers tend to be more valuable than moderately qualified, undermotivated employees.

Some companies go so far as to label some of their staff 'bottleneck employees', who occupy positions and have profiles that there could be a shortage of in the future. Suitable junior employees are best supported with customized programs designed to retain them on a long-term basis.



Focus on the future

Companies that want to retain specific employees need to ask a range of questions. For example: Which employees contribute the most to the success of the company? Which employees will play an important role in the future? Which areas of the company are experiencing bottlenecks?

Merely retaining employees who are high performers is shortsighted. Employee retention requires strategic planning that looks into the future of the company.

Retention improves motivation

Equating employee retention with merely preventing people from leaving overlooks an important component of the concept. Employees who feel committed to their company almost always show more willingness to perform better than those who are open to making a change. Employee retention should be regarded as the basis of employee motivation. It not only prevents staff turnover, it also promotes growth and success.

Retention is good for the employer brand

Investment in employee retention pays off on a few different levels. It keeps and motivates valuable employees and contributes to your employer brand.

Because of this, retention management should be an essential component of your employer branding strategy.

Satisfied employees who feel like an important part of the company and rooted in its network are much more likely to recruit new employees from their own networks. They become valuable long-term resources and are an effective public testimonial for the company.

Employee retention questions:

- Does the candidate have the necessary skills for their job?
- Are they properly rewarded?
- Is the candidate a long-term fit?
- Am I focusing on the right candidates?

Every one of the initiatives discussed demands an investment of time and money, a significant presence (online and offline), a targeted selection process with respectful interactions, a well-developed value proposition, and incentives and advancement programs for retaining top performers.

The bottom line is that you can summarize all of these activities in one word – appreciation.

The more clearly a company relates a person's knowledge and skills to its economic success, the more strongly that person will feel appreciated.

Only an employee who feels respected, supported, and appreciated from day one will give their employer 100% and positively promote the image of the company to the outside world.

Organizations that invest in things rather than employees are too short-sighted and looking for savings in the wrong places. Good employees are the most valuable capital that a company can have.

**Employer branding —
is it worth it?**

Talented people expect a smooth application process and a job where they can develop and realize their potential, working in the right conditions.

Two of the central components of employer branding are a positive candidate experience, and a pleasant onboarding process. Both are processes that can easily be supported with the right software.

Start your own free Personio trial now and try out features such as automatic acknowledgements of receipts, straightforward application forms, and supported interview scheduling.

Book your demo today

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