iHire

Employer Branding Demystified

Separating Fact from Fiction

Table of Contents

Introduction

Remember when brand communication was reserved for marketing and public relations teams?

Times have changed.

In a competitive, candidate-driven job market where companies are targeting the same talent pools, a solid employer branding strategy is critical to recruiting and retaining high-quality employees. Now, hiring managers and HR professionals must think a little more like marketers to promote their company as a great place to work if they want to attract top talent and keep them aboard.

However, there is still some uncertainty surrounding employer branding – what it is, what it entails, and why it's so important. In our 2019 Employer Branding Pulse Survey of 688 U.S. employers, 59.3% of respondents either had no employer branding strategy or were unsure of their branding efforts. Of that majority, nearly a quarter of companies had never heard of employer branding and 39.8% said they didn't know enough about it to devise a strategy.

If you haven't explored the power of employer branding, don't worry – we're here to help. This eBook is designed to demystify some of the most common misconceptions and separate employer branding fact from fiction. We'll guide you towards creating winning strategy – driven by your company culture and core values – that supports your recruiting and retention goals (and more) for years to come.

What is Employer Branding and Why Do I Need It?

Whether or not they've intentionally built it, all companies have an employer brand: the perception of your organization held by current and potential employees. When supported by your culture, mission, and core values, your employer brand helps establish your company as an employer of choice. Simply put, it provides employees with a reason to work for you instead of the competitor down the street.

Although we'll get into specifics later, an employer branding strategy doesn't have to be costly or complicated. Your employer brand can involve any number of cohesive initiatives that showcase what it's like to work for your company. Such initiatives can include, but are not limited to:

- Highlighting details about your company culture and benefits in your job ads.
- Posting fun photos and/or videos on your social media channels.
- Publishing employee testimonials on your website.
- Sharing insightful information about your company and your culture with job applicants throughout the hiring process.
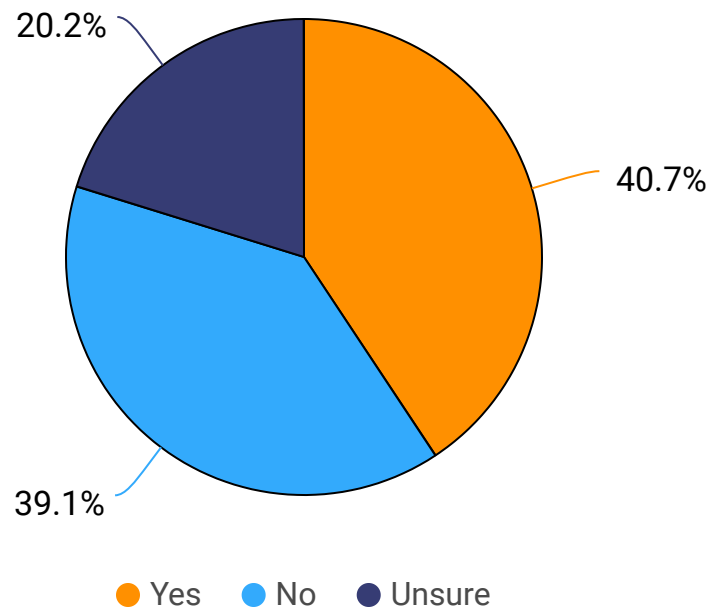
Your employer brand should:

✓ Clearly communicate the mission of your company at a glance.

✓ Add authority and legitimacy.

✓ Attract talent whose values align with yours.

✓ Ensure good culture fits when hiring.

iHire

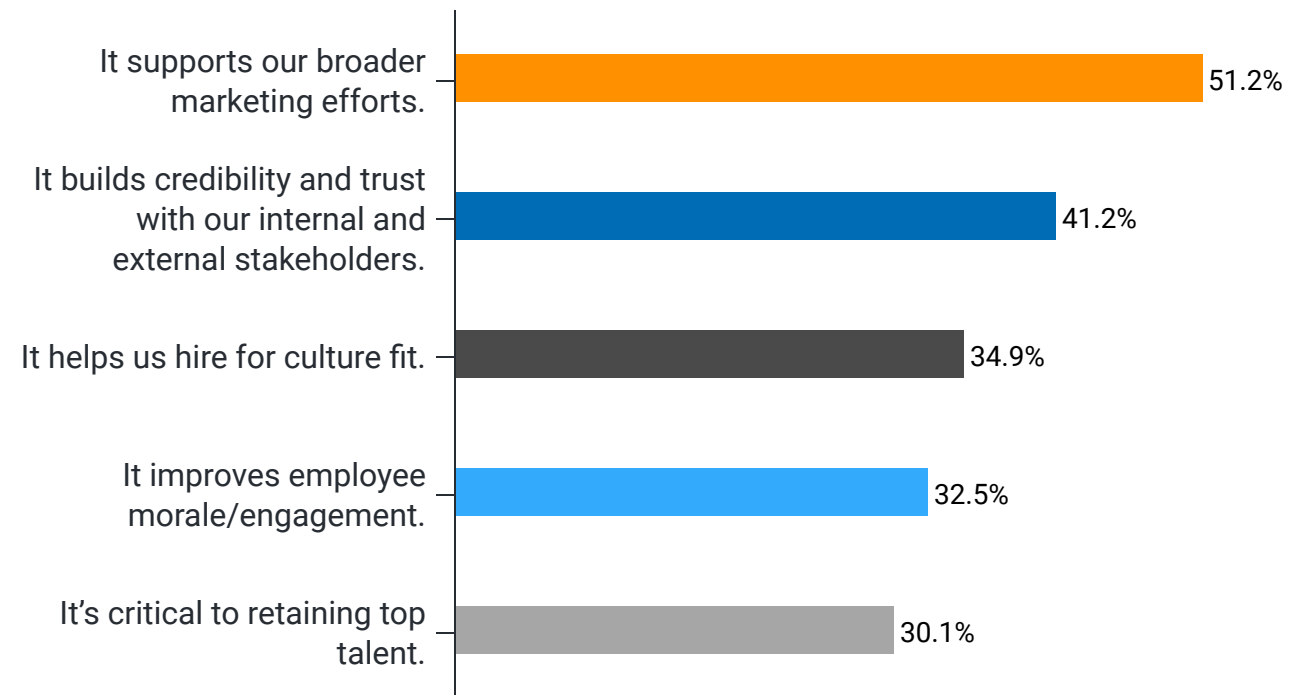# Survey Results: Where Today's Employers Stand on Brand

If employer branding is new or unclear to you, you're not alone. Just 40.7% of employers responding to our survey said they had an employer branding strategy:

The good news, however, is that these companies hit the mark when identifying the value of employer branding:

Does your organization have an employer branding strategy?

20.2%

40.7%

39.1%

- Yes
- No
- Unsure

Why is employer branding important to your organization? (Select up to three answers)

It supports our broader marketing efforts.	51.2%
It builds credibility and trust with our internal and external stakeholders.	41.2%
It helps us hire for culture fit.	34.9%
It improves employee morale/engagement.	32.5%
It's critical to retaining top talent.	30.1%

Further, organizations with an employer branding strategy are relying on a solid mix of channels to communicate their identity, with social media, company homepages, and external job postings emerging as the most popular outlets:

Across which channels are you promoting your employer brand? (Select all that apply)
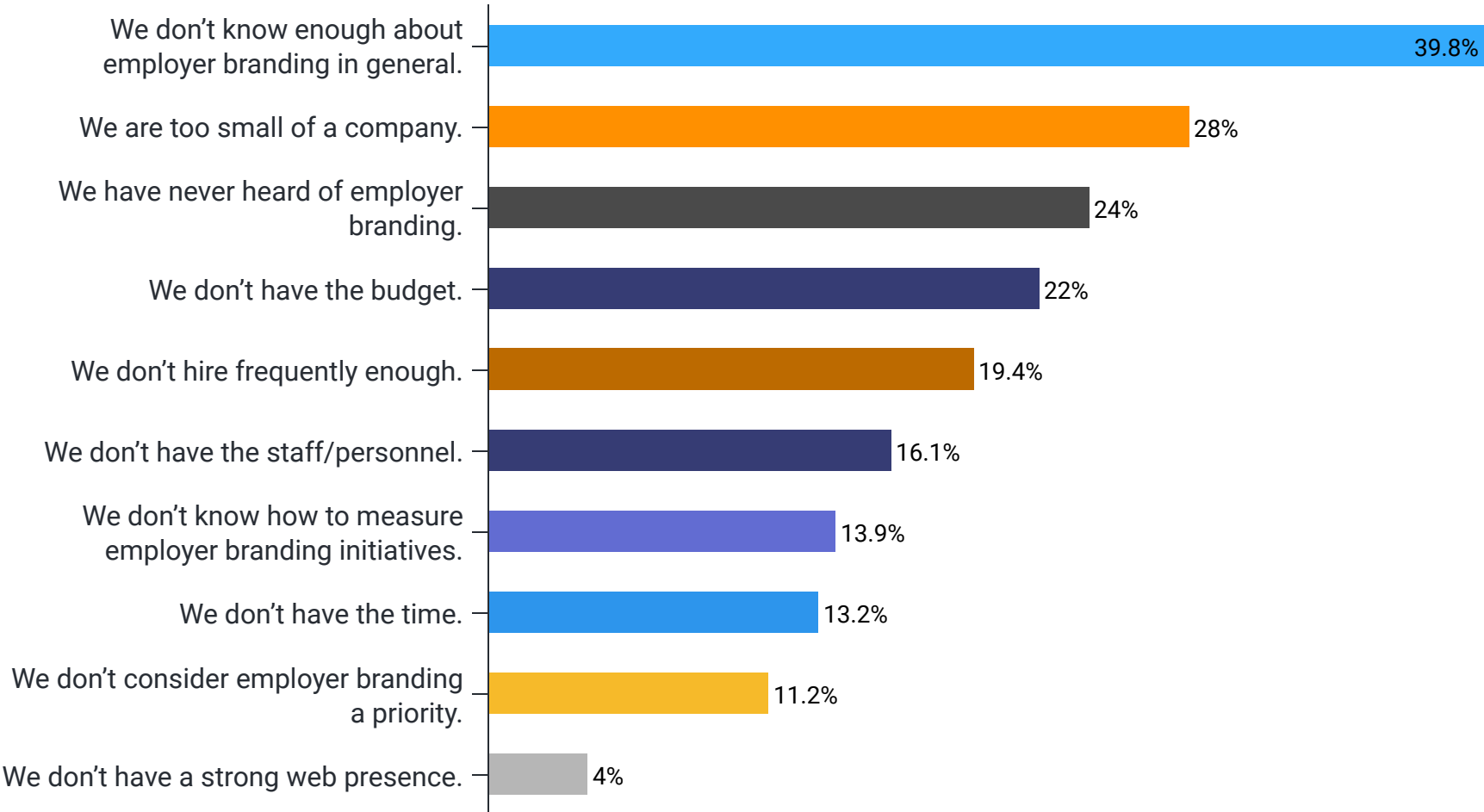
Channel	Percentage
Social media	85.7%
Company homepage	83.3%
External job postings (e.g. on job boards)	69.9%
Company career page(s)	54.6%
Print or digital collateral (e.g. brochures)	52.2%
Email marketing	51.7%
Advertisements (e.g. display ads)	46.4%
Events/conferences/trade shows	44.5%
Videos (e.g. YouTube)	20.6%
Blog	14.8%
Webinars	7.2%
Other	2.9%
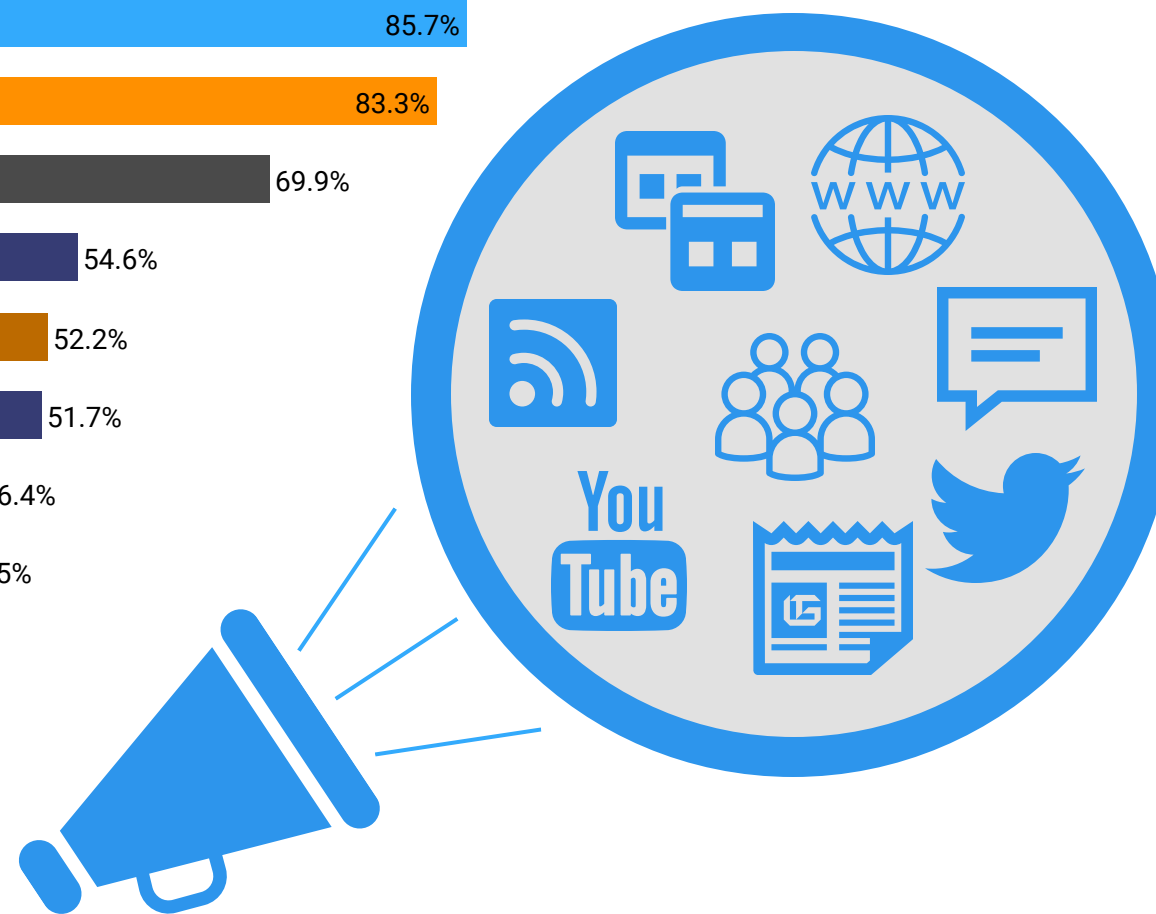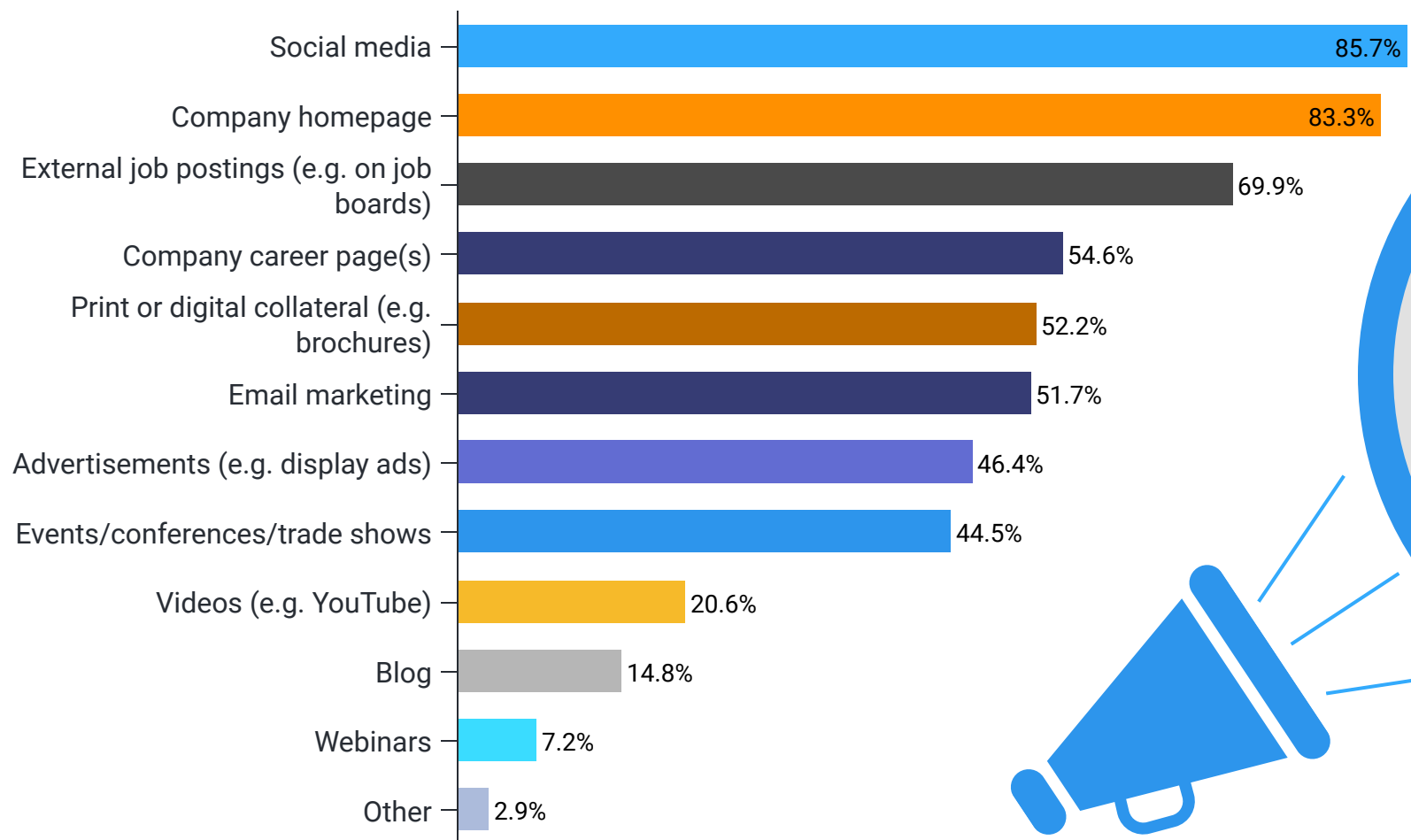
On the other hand, responses from those without a strategy or unsure of their initiatives confirmed that the concept of employer branding remains somewhat ambiguous to a number of hiring professionals. Contrary to many survey responses, virtually any company – regardless of size, budget, resources, and hiring needs – can build an employer brand that positively influences current and potential employees' perceptions of their organization.

Why haven't you created an employer branding strategy? (Select up to three answers)

Reason	Percentage
We don't know enough about employer branding in general.	39.8%
We are too small of a company.	28%
We have never heard of employer branding.	24%
We don't have the budget.	22%
We don't hire frequently enough.	19.4%
We don't have the staff/personnel.	16.1%
We don't know how to measure employer branding initiatives.	13.9%
We don't have the time.	13.2%
We don't consider employer branding a priority.	11.2%
We don't have a strong web presence.	4%

iHire

Employer Branding Fact vs. Fiction

Given that 59.3% of employers surveyed were hazy on their employer branding strategy (or lack thereof), some education is in order. With survey responses in mind, we've clarified five common myths about employer branding – separating fact from fiction.

✖ FICTION

Employer branding is too costly and requires extra time and resources.

✔ FACT

Employer branding doesn't have to break the bank, nor does it require a host of extra efforts.

Because your employer brand is driven by your culture and values, it involves how you make current and potential employees feel – something you can't put a price on. When top talent views your company in a positive light, there is a greater likelihood that they will speak highly of you. When employees love where they work, they tell their friends – A-players know other A-players.

This is often more powerful than any fun photo on Facebook or catchy tagline in a job ad. There are, of course, other more tangible, low-cost ways to boost your brand. For example, in your job ads, embed or link to a video depicting a "day in the life" at your workplace. Or, collect employee testimonials describing what makes your company a great place to work and display them on your homepage.

1

A positive employer brand can actually save you money down the line. A recent study published in the *Harvard Business Review* found that companies with negative reputations paid at least 10% more per hire, and just 28% of applicants could be persuaded to accept a job with the organization despite a larger paycheck.

iHire

✖ FICTION

Employer branding is only for large enterprises.

✔ FACT

An employer branding strategy is beneficial regardless of your company's size.

2

In the age of social media, online reviews, and real-time customer feedback, word spreads fast and furiously. Employees and job applicants with negative experiences with your company will not hesitate to share their feedback, whether you're a multinational enterprise or a mom-and-pop shop.

This can swiftly damage your overall reputation and deter top talent from engaging with you in the future. Conversely, a positive experience will boost the public perception of your company and entice future job applicants.

43.9% of employers surveyed who did not have a strategy or were unsure of their efforts identified as a small business (1–10 employees). However, employer branding is valuable for employers of all shapes and sizes.

iHire

✗ FICTION

Employer branding is only for companies who hire frequently.

✓ FACT

Employer branding isn't contingent on how often you hire.

Whether you hire once or 100 times a year, you need to get top talent in the door – a task that has become increasingly challenging amidst the tight labor market. However, a strong employer brand isn't only conducive to recruiting; it's vital to employee retention. Creating a nurturing, rewarding work environment – reflected in your employer branding elements – will help prevent costly, morale-damaging staff turnover.

Further, your employer brand impacts performance. Because a large part of employer branding stems from current workers, it represents an opportunity to express pride in your business. This in turn raises quality of work, productivity, and customer satisfaction.

3

According to our 2019 State of Online Recruiting Report, 53.5% of employers receive too many unqualified or irrelevant applicants – their No. 1 challenge when recruiting through a job board, website, or community. A strong employer brand can help tackle this challenge by more readily attracting career-driven talent.

❌ FICTION

Employer brand and corporate brand are one in the same.

✅ FACT

Employer brand and corporate brand are different but complement one another.

Perhaps some of the confusion surrounding employer branding arises from the false impression that it is synonymous with corporate brand. In reality, employer brand and corporate brand are separate entities. However, they represent two sides of the same coin: Both are supported by your organization's identity, mission statement, core values, and culture.

And, just as your corporate brand is critical to distinguishing your products and/or services from competitors', your employer brand plays a similar role in the hiring arena.

4

Your **employer brand** comprises your company's reputation as an employer or place to work.

Your **corporate brand** encompasses your company's reputation as a business or provider of products and/or services.

❌ FICTION

It's impossible to measure the impact of employer branding.

✅ FACT

There are plenty of KPIs to help gauge the efficacy of your efforts.

Although it's not as cut-and-dry as measuring net profit margin or operational cash flow, the impact of your employer brand can and should be measured. For example, strong employer branding may mean more job applications. In these cases, look at KPIs such as view-to-apply rates (the percentage of applicants who view your ad and end up applying).

Another telling KPI is your staff turnover rate. A low turnover rate signals a positive employer brand – top talent wants to stay with your company. Collectively, these metrics paint a picture of the value of your employer brand.

5

Consider the following employer branding KPIs:

- Number of applications per job ad
- Employee satisfaction scores
- Number of employee referrals
- Cost-per-hire
- Staff turnover rate
- Average ratings on employer review websites

How to Build Your Employer Brand: Start with Culture

Before you dive into creating or enhancing your employer brand, understand that this identity cannot be built overnight. It must begin with a culture change driven by a set of core values that permeate your entire organization. To get there, you'll need to seek feedback from your employees and listen to what they have to say. A survey is a great way to gather these insights. What does your staff want from you as their employer? What's working and what's not? Is there something employees wish you would do differently?

Drawing from this input, you can begin to tweak your processes, policies, and perks to create a more nurturing, supportive, and engaging work environment. Maybe that means implementing a flexible schedule or starting a wellness program. Maybe you introduce a better way for colleagues to recognize one another's good work. Or, perhaps it's a blend of all these efforts and more.

As your culture transforms, it will be easier to promote your company as a choice employer where people want to work. Your employer brand will begin to emerge, and you'll be able to create a more effective strategy to promote it, hone it, and live it. Don't just talk the talk, walk the walk.

iHire

Quick-Start Tips

Even if you still have some work to do in transforming your culture, you can begin to weave elements of employer branding into various channels. Here are a few quick, low- or no-cost ways to get started:

- ✓ Gather employee testimonials describing what makes your company a great place to work and share them on your website.

- ✓ Post a video to illustrate "a day in the life" at your workplace.

- ✓ Describe your company benefits, perks, and other incentives in your job ads.

- ✓ Revamp or launch a "careers" landing page on your website comprising open positions, fun company photos, and a list of benefits such as health insurance, paid time off, 401(k) options, volunteer opportunities, discounted gym memberships, etc.

- ✓ Turn your employees into brand advocates – encourage them to provide positive feedback on employer review websites or contribute to your blog.

- ✓ Take advantage of job boards that offer free company profiles and add your logo to external job postings whenever that is an option.

- ✓ Apply for local and/or national awards that recognize workplace excellence (note that some of these awards come with an application fee).

- ✓ Implement a monthly employee survey to solicit ongoing feedback.

What's Next?

Employer branding is more than an HR buzzword or a marketing flavor du jour. It is your company's identity as an employer – a place where top talent can thrive and grow within their desired career path. It starts with your company's culture and a set of core values and leads to a positive public perception of your organization as a workplace. In turn, it will become easier to attract and retain exceptional, productive, and satisfied employees who contribute to the overall success of your company.

Meet iHire's Company Profiles

Showcase your employer brand today with iHire's free company profiles. Quick and easy to build, our profile pages help you highlight your unique culture including your mission and vision, benefits, and more. Increase exposure to your jobs posted on iHire, which will be automatically included and updated in real time on your profile. Boost your credibility, engage top talent on a personal level, and stand out from your competition.

Build your company profile now in just four easy steps!

Survey Methodology
A total of 688 U.S. employers from across 56 industries responded to iHire's 2019 Employer Branding Pulse Survey. Surveys were shared with iHire's database of members and non-members. The results of this survey are intended to be representative of a portion of U.S. employers. All percentages' decimal points have been rounded up to the nearest tenth.

About iHire
iHire is a leading career-oriented platform that brings candidates and employers together in 56 industry-focused communities. We believe that by narrowing job seekers' and employers' searches within a specific industry, we can connect high-quality talent with the right opportunities faster, easier, and more effectively than a general job board. Everyone deserves to find work that is fulfilling, inspiring, and meaningful. Since 1999, we've combined cutting-edge technology with our expertise in the recruitment space and the invaluable insights of our members to achieve just that. Visit www.ihire.com for more information.