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## Get A Head Start In The Coming War For Talent

You might imagine that with recession upon us, the war for talent has ended. Just a year and a half ago, companies were spending frantically to try to come up with ways to beat their competitors at recruiting the best and brightest new workers. There were amazing stories. One pharmaceutical company predicted that it would need to hire tens of thousands over the next few years. It was going to have to look far outside the sciences, hiring people in information technology and marketing, so it was going to be up against companies like Google and L'Oréal for talent.

Then the crisis hit. Staffs were slashed in industries everyone had thought were rock solid. The tide turned, and it became a buyer's market for talent. Not only are most companies not actively recruiting, many don't seem much concerned about retention. They figure most employees are holding on to their jobs for dear life.

They may be in for a surprise before long.

By all accounts, and according to endless surveys, employee engagement and retention are highly correlated. But in a recession, the link can weaken. People stay on not just because of a passion for their company and the work they do--they need to pay their mortgages. It is more than likely that many of those who are still employed are riding out the recession and biding their time until the job market opens up again and they can jump.

A survey earlier this year by Salary.com found that 65% of employees said they were passively or actively looking for new jobs, while employers estimated that number at 37%. Employees have been actively hedging their bets--and employers have been grossly out of touch about it.

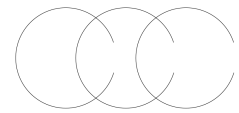
Retention will be a major concern as we begin to emerge from the darkness. Employees are like elephants: They watch, and they remember. They know how they were treated in the bad times, and how their fallen colleagues were treated, too. They form long-lasting impressions of their employers. And they are already planning what to do about it. Meanwhile, companies have to start looking to bolster their depleted forces at some point. Recruitment will once again become a pressing need, and competition for talent will surge.

Here are four big steps to take to future-proof your brand as an employer so you can both retain your best employees and recruit the best new ones.

### Focus on the Employee Experience Now

The concept of an employer brand has traditionally been more about recruiting than about retention. It is time to shift the emphasis.

The test of a good employer brand is how well you keep your recruitment promises. Does the employee experience live up to expectations? The businesses that make the annual lists of "best companies to work for"--by *Fortune* in the U.S. and the *Sunday Times* in the U.K.--know that success lies not just in the sales pitch but in following through.



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Google is the gold standard in this regard. First, what it promises its employees connects very closely with its overall brand promise, in particular its mandate to "focus on the user and everything else will follow," as the corporate Web site says. So what's on the outside is also what's on the inside. Google says that just as it puts users first with its online services, it puts employees first when it comes to daily life in its offices.

Google's promise bears itself out in the day-to-day employee experience, from having recreational facilities like an outside volleyball court to offering ways to make working hard a little bit easier, like commuter buses and dry-cleaning and laundry services, and even "20% time," when engineers can pursue work on anything they are passionate about.

Of course, most companies can't be so lavish in belt-tightening times. But simple things also count. At SAS, the software provider, a tradition endures of giving out fresh fruit every Monday, M&M's on Wednesdays, and breakfast goodies on Fridays. At King's Daughters Medical Center, Chief Executive Fred Jackson sent all his workers an appreciation letter with a crisp \$100 bill for full-time workers and \$50 for part-timers--just as the economy was nose-diving.

Not that such feel-good gestures are all it takes to make the employee experience great. Tangible rewards--compensation and health care benefits--are paramount in this time of financial crisis.

To have a successful employer brand, take a page from consumer branding. Spend time mapping out the employee experience and what you can offer. Think through all the points at which the brand is delivered to your employees, and how you can deliver it better--from induction to daily working life to career development to exit interview. And remember that it's not just what you offer but how you offer it, the tone of the experience. The good news is that you can work on these things at a grass-roots level even when times are tough.

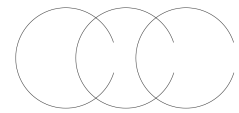
### **Make Your Employees' Experience Unique**

The starting point for building a buzz-worthy employee experience is offering something distinctive, just as Google does, in terms of both tangible rewards and the feel-good factor. Identify those one or two things that will set you apart from the competition, and then really focus on them. As at Google, the closer your employer brand aligns with your overall brand ethos, the better off you'll be. Don't try to make them exactly the same; just be sure to pick up on some of the things that make your brand unique to the outside world.

The selection of companies on the *Fortune* and *Sunday Times* lists shows that a range of things can help build strong employer brands: employee ownership benefits, wellness plans and related perks, career development, green initiatives, flextime, philanthropy. Know your employees, know what's important to them and then find your unique approach.

For example, Accenture plants its stake in the ground with talent development. Every employee gets a career counselor and a selection of thousands of courses he or she can take, getting on average 78 hours of training per year. The company also provides great overall benefits, but talent development is what it is famous for as an employer. Such focus not only sharpens the employer brand but also can help make the most of increasingly limited human resources budgets by spending where it will go the farthest.

Last but not least, make sure your employees know about what you're investing in for them. Draw the connection between what you're doing and the company's promise to its employees. Reinforce it not just in recruitment communications but in everyday internal communications, too.



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## Take Care of Your People in the Tough Times ...

... Those who stay as well as those who go. If you can prove your mettle as an employer who looks after its workforce in times of trouble, you will be rewarded with loyalty when the pendulum swings and people have the chance to leave. That is what generates the stories that build the strength of a brand and show what kind of company yours really is.

Many of the companies on this year's best-to-work-for lists stood out for how they handled all their cutbacks and staff reductions. Online retailer Zappos not only excelled in communicating openly and frequently with employees throughout the layoff process, it also gave those who lost their jobs very generous packages. Longer-term staffers got four weeks for every year of service, six months of COBRA health coverage and even a continuation of the 40% employee discount through Christmas. CEO Tony Hsieh said, "The motivation was: let's take care of our employees, who got us this far."

Of course, it's just as important to look after those who stay. Fisk Johnson, the CEO of S. C. Johnson & Son, sent a cheer-up card to every employee at the height of the bad times and also added two more days to the annual holiday break, an easy win that was much appreciated. Even communication alone can help. Larry Zimpleman, CEO of Principal Financial Group, made a point of sending weekly e-mails to employees to reassure them and keep them up to date. "Hearing from you was exactly what I personally needed," said one staffer, according to *Fortune*.

## Most Important, Start Right Now

The employers' market of today will become the employees' market of tomorrow, so you'd better pay attention to your employer brand now. Building it up takes time, and if you're not working at it now, your competitors are.

You'll want every advantage in winning the best of the talent pool that will be out there. As usual in a time of recession, people are going back to school. Three-fourths of all full-time M.B.A. programs have reported a rise in applications. Be ready when all those new M.B.A.s emerge in a couple of years.

Building a great employer brand requires the same principles as any great branding program: Know your audience. Know what makes you different. Then build a brand promise and (employee) experience that reflects and delivers on your special difference. Your employees will return the favor.

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