#TRUST: The Key Ingredient To A Great Employer Brand

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ENHANCING EMPLOYER VALUE PROPOSITION (EVP)

Today's employers recognize the value of their employer brand to attract top talent,[i] engage employees[ii] and establish a reputation as an employer of choice.[iii] Companies are increasing investments in strategies to enhance their employer value proposition (EVP) and extend awareness of their EVP to employees and potential candidates.[iv] These include investments in social media, employee events, creating a positive candidate engagement experience and employer websites, to name a few.

DON'T OVERLOOK TRUST

With such significant emphasis placed on EVP, one critical aspect is being overlooked—trust. This reveals itself in a wide variety of day-to-day management priorities, policies and procedures that shape an employee's workday. It is most evident, however, in the ways employees represent employer brand. This is a serious disconnect since research shows the people most trusted to speak authentically about a company are its employees.[v]

START A DIALOGUE

The issue for many companies today is that they are reluctant to allow employees to engage in a social conversation about the company with the outside world. They are rightfully concerned about the risk associated with incorrect or sensitive information being shared, alongside anything that might damage the company's reputation. After all, it only takes one irresponsible or misinformed person to launch a PR crisis. As a result, companies often choose to treat the brand conversation as a monologue rather than a dialogue.

SOCIAL MEDIA

Freqently, companies try to manage risk by imposing restrictive policies about when, where and what employees are allowed to communicate. The partial or wholesale prohibition of social media use is among the most common approaches. With so much at stake and shareholders to answer to, this seems like a prudent approach.

POWER OF EMPLOYEES

However, this outdated model of brand control fails to take advantage of a company's most powerful assets—its employees. Creating an environment that fosters trust results in a more positive and productive workplace. It's a virtuous cycle that enhances EVP organically. Importantly, trust also creates a platform from which employees and candidates can become powerful brand ambassadors.

1.

What circumstances have caused trust to be overlooked?

2.

Can a company learn to trust its employees with its brand?

3.

How can a company unleash the power of its people to protect and advance the brand?

4.

What lessons can be learned from companies that are maximizing the voices of their employees?

COMMUNICATION

For all the well-meaning, yet restrictive policies, employees and candidates are communicating about employers anyway. In addition to sharing information with their own networks, they are increasingly broadcasting their points of view anonymously at websites like Get Rated!, Vault and Glassdoor.

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[1]   The author wishes to thank Lucy Adams (Managing Director of Firehouse, Founder of Disruptive HR, former HR Director for the BBC) and Elaine Orler (CEO and Founder of Talent Function) for providing their insights in the area of EVP and trust.

THE REALITY IS THAT CURRENT, PAST AND PROSPECTIVE EMPLOYEES ARE GOING TO TALK ABOUT EMPLOYERS, AND THEY ARE GOING TO DO SO IN VERY PUBLIC WAYS. WHILE COMPANIES COULD CHOOSE TO VIEW THAT AS A NEGATIVE AND ATTEMPT TO SHUT DOWN SUCH COMMUNICATIONS, THERE IS ANOTHER OPTION. NOW MORE THAN EVER, COMPANIES HAVE AN OPPORTUNITY TO BRAND THEMSELVES AS EMPLOYERS OF CHOICE AND HARNESS THE COLLECTIVE POWER OF EMPLOYEES AND CANDIDATES. THESE BRAND AMBASSADORS HAVE THE POWER TO DRIVE AN EVP FORWARD.

HOW HIGHER STAKES CAN RESULT IN LOWER TRUST

Being at the center of negative publicity can have a devastating impact on everything from stock price[vi] and equity risk[vii] to corporate tax behaviour.[viii] The cost of a bad reputation in terms of talent is high. Approximately 30% of people say they wouldn't work for a company with reputation issues at all. Of those who would be willing, men report requiring a 53% pay increase, while women would require a 60% increase.[ix] The risks are more significant than ever, particularly for publicly traded companies and/ or heavily regulated industries. One corporate misstep can lead to a full-blown communications crisis. One rogue employee can do massive amounts of damage to a brand's reputation.

Employers' response has been to mitigate risk wherever possible by creating policies that prepare organisations for the worst case scenario.[2] These often go far beyond allowing employees to represent the company publicly. For example, companies tightly control benefits, leave, day-to-day supervision and individuals' use of personal social media accounts in the workplace. It's not difficult to see how these decisions might increase management's comfort level regarding the extent to which risk exposure has been managed.

The trade-off is that these types of policies have a direct impact on employees' experiences with the company. The message to employees—and what can ultimately manifest itself as the corporate culture employees and candidates talk about—is that employees are not to be trusted.

In a buyers' market, employees may be more likely to tolerate restrictive policies that are rooted in a lack of trust. This is precisely why trust has been largely overlooked in EVP until now. For many companies, the global financial crisis has bought time. Jobs have been in short enough supply that employers have had a false sense of complacency and haven't been concerned with the experience their employees and candidates are having.

In countries that are emerging from global financial crisis, many employers are finding that employees expect more freedom in their work lives and how they communicate about it. EU countries that continue to battle financial crises may have more time, but the companies that innovate through EVP now may well find themselves better positioned in the long run.

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[2] It's worth noting that the law sometimes sides with the outspoken employee. Not long ago, large U.S. companies had policies that prohibited employees from talking about their companies at all. However, after a series of rulings, the courts clarified that employees' digital speech is protected under many circumstances, ordering dismissed employees to be reinstated and policies to be rewritten. (The New York Times, 1/22/13.)

During the global financial crisis, many
companies did not have to invest in their EVP.
High unemployment rates and an abundance
of talent seeking employment allowed many
companies to underinvest in EVP.

On the other hand, companies that were not hit as hard by the crisis, or
those that rely on highly sought-after technical talent had to stay ahead of
the curve to foster competitive advantage. Some did so through their EVP.

NETFLIX

*provides a
good example
of investing in
their EVP.*

Netflix provides a good example. Their approach assumes that the vast
majority of people will make good decisions. As a result, employees
are encouraged to take as much leave as they feel they need and the
expense policy asks that people simply act in the best interests of the
company. Netflix emphasizes hiring great people over writing policies.
An article by its former chief talent officer explains that "97% of your
employees will do the right thing. Most companies spend endless time
and money writing and enforcing HR policies to deal with problems the
other 3% might cause. Instead, we tried really hard to not hire those
people, and we let them go if it turned out we'd made a hiring mistake."[1]

The company also encourages widespread social media use by
employees. *CEO Reed Hastings recently explained their approach:
"Our fundamental mantra for employees is freedom and responsibility
[in external communications]… We really try to push more freedom of
what they can do and we educate them about their responsibility."[2]*
This translates to training employees on what's expected in terms of
tone, content and overall appropriateness, while allowing them to speak
freely—an approach that Hastings acknowledges is "error tolerant."

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THE EMPLOYER VALUE PROPOSITION TODAY: ROOM FOR IMPROVEMENT

Nearly three in four employees say their employer doesn't promote their employment brand on social media platforms.[x] One particularly stark finding showed that only 13% of workers in 142 countries actually feel engaged at work and half of the people surveyed say their job has no connection to their company's mission, and has no meaning or significance.[xi]

Not surprisingly, trust is a two-way street. For example, despite growing awareness of the importance of EVP and greater investment in it, only half of American workers believe their employer is open and honest with them and a quarter of employees don't trust their employers at all.[xii] Employees' trust in leadership has a significant impact on retention and satisfaction. One global survey found that only 27% of employees who plan to leave their jobs have high levels of trust in their companies' leadership.[xiii]

All of this points to the importance of creating a strong organisational culture. One can easily argue that this should start at the top, but it is also something that can be built from the ground up.

Employers should prioritize creating effective internal communications and employee engagement programs (i.e., investing in employees sharing their work with each other in sophisticated ways that connect to the mission). Communicating pride in the work employees are doing and demonstrating that the company cares about its people and its mission is critical to developing a winning culture and raising the EVP. And once this is accomplished, employers should not be the only ones communicating the key messages about it. In fact, because employees and candidates have greater credibility, they can authenticate and validate what the employer is saying and doing.

Any company can craft a well-written EVP that reflects everything marketing and HR wants to get across. However, the true value of an EVP is not in how it is defined but in how it is executed and perceived by employees and candidates.

▶ EXPERIENCE MATTERS[xix]

>200% — *INCREASE IN THE LIKELIHOOD PEOPLE WILL SHARE THEIR EXPERIENCE ON SOCIAL MEDIA (SINCE 2012)*

83% — SHARE A GOOD EXPERIENCE with their inner circle

51% — SHARE A GOOD EXPERIENCE on social media

66% — SHARE A NEGATIVE EXPERIENCE with friends and colleagues

34% — POST INFORMATION ABOUT THEIR BAD EXPERIENCE online

> *EVP is the promise, the personality, the values and the behaviours of a brand. And it's the relationships. Everyone misses that. They approach internal communications and social media from a place of fear, not trust. Too many relationships are based on fear.*
>
> **LUCY ADAMS**
> *Managing Director of Firehouse, Founder of Disruptive HR, Former HR Director for the BBC*

EVP PLAYS OUT ONLINE AND CANDIDATES ARE PAYING ATTENTION

Nearly all employers—nine in ten—look at candidates' social media profiles[xiv] and more than half have passed on a candidate due to content they've found online.[xv] But how many candidates have passed on employers due to their digital profiles? The answer may be surprising to some.

78% of job seekers say that ratings and reviews from former and current employees influence their decision to work for an employer.[xvi] Nearly half of Glassdoor users require that a company has a rating of at least 3 stars to even consider applying for a position.[xvii]

Studies show that employees are increasingly talking about their employers on multiple channels. In fact, one survey showed that 40% of UK employees said they've criticized their bosses on social media sites.[xviii]

The trends aren't limited to current employees either. According to the Talent Board's Candidate Experience Benchmark, 83% of people will share a good experience with their inner circle and 51% will share it on social media. At the same time, 66% will share a negative experience with friends and colleagues and 34% will post information about their bad experience online. The likelihood of sharing both good and bad experiences on social media has more than doubled since 2012.[xix]

Studies of millennials have suggested that the vast majority of them want to work for the same companies they value as consumers.[xx] And we know from research that millennials talk about their work experiences with more than half report using personal accounts to conduct business.[xxi]

The implication for employers is that employees and candidates will talk about them, whether policies about how, where and when they can communicate are in place or not. They have platforms to do so anonymously or transparently, and there is no shortage of people willing to listen.

Candidates are increasingly likely to talk about their experiences—both good and bad, whether they received a job offer or not. However, the impact of a negative experience is especially potent due to what psychologists call negativity bias—the idea that people have stronger reactions to negative inputs and as a result are more likely to recall and recount them more vividly than they would positive experiences.

With more than a quarter of jobseekers saying they've had bad experiences during the application process, it doesn't take much of a mental leap to imagine how these people might have no interest in being customers of a company they feel has treated them poorly. Yet even though nearly one-third of candidates say they would be less inclined to purchase products and services from an employer who didn't respond to their application, an astounding 75% of workers do not hear back from employers after submitting their applications.[1]

Among employers, there is enough of a concern about this issue that the Talent Board and Hire Right recently released a Candidate Resentment Calculator, designed to calculate the amount of money a bad experience costs employers. Even using a very conservative example of a medium-sized retailer with 3,000 employees/250 annual hires and an 8% negative candidate experience rate yields almost $400,000 in lost revenue.

8% × **250** = **($400,000)**

negative candidate experience   annual hires   in revenues lost

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[1]   CareerBuilder. (2013.) Seventy-Five Percent of Workers Who Applied to Jobs Through Various Venues in the Last Year Didn't Hear Back From Employers, CareerBuilder Survey Finds http://www.careerbuilder.com/share/aboutus/pressreleasesdetail. aspx?sd=2% 2F20%2F2013&id=pr740&ed=12%2F31%2F2013

MEDIA AND CONSUMERS ARE PAYING ATTENTION

The prevalence and influence of employer review sites is not going away. If anything, the number of these tools seems to be increasing.

For example, one media outlet used Glassdoor reviews to identify "America's Worst Companies to Work for." [xxii] It didn't matter that the process for creating the list was entirely unscientific. What mattered was that the list was widely picked up in the news media and online. But there is good news. Another widely covered study used Get Rated! to identify great places for millennials to work.[xxiii]

Similar websites are being created all over the world. Sites like Job Advisor (Australia), Rate My Employer (Canada), Kununu (Germany), Job Beehive (India) and Job Crowd (United Kingdom) are catering to the needs of an ever-growing audience of well-informed, outspoken jobseekers and employees.

The point of all of this isn't to say that employers have an ever growing list of enemies. Actually, it's quite the opposite. New platforms offer opportunities for organisations to unleash the power of their people as ambassadors of their employer brands.

> " *Employers who work to create a great candidate experience as part of their commitment to EVP recognize something other companies miss. When candidates are valued, respected and engaged, they'll talk about it with their personal and professional networks. They refer others and can become more loyal customers. This is true whether or not those candidates are ultimately offered the position.* "
>
> ELAINE ORLER, *Chairman and Board Member, Candidate Experience Awards and CEO of Talent Function*

TO COMPETE FOR THE TOP TALENT, FOCUS ON TRUST

Plenty of other resources exist to help employers build a strong EVP. The focus here is on the role that trust plays in this process: employers need to trust their people to talk about them, but first employers need to give employees something great to talk about. There is an information gap in examples of how companies and industries are successfully dealing with the trust element of EVP. Following are a few of the trends being observed today.

Pay Attention And Play An Active Role

As a first step, engaged companies are becoming more aware of where their brands show up and they're taking it seriously. These forward-thinking companies see employer review sites as this century's suggestion box— they view them as an opportunity to learn and strengthen relationships with their most important stakeholders. They keep tabs on established and emerging social media and employer review sites (including niche industry sites) and pay attention to what's being said. Once a clear view of this information is available, these employers take action. For example:

- **Give Employees Venues To Talk About Their Experience With The Company:** Encourage people to review the company and provide them with links to do so. In addition, champion the use of social media to talk about the company. For example, ManpowerGroup UK launched #RelationshipsMatter to train the employees on how to effectively use social media outlets as part of their daily work lives. This includes guiding people on how to use social media to advance core business objectives, as well as talking about their experiences at the company on Twitter and Facebook. Ultimately, there's an expectation that people will use social media to get the word out about what's happening in the business. #Gamechangers are available to answer questions and provide support wherever necessary.

- **Respond:** Nearly seven in 10 job seekers agree their perception of a company improves after seeing an executive or other company representative respond to a review.[xxiv] When reviews are negative, don't be defensive. Instead, address the issues being raised and, if appropriate, follow up when they've been rectified. When reviews are positive, take the opportunity to provide deeper insights into what is being said and why it's important to the company.

- **Be Proactive In Providing Information About Your Corporate Culture And Work Environment:** More than 3 in 4 jobseekers want to hear from employers about what makes their company a good place to work. They also say this isn't readily available on company websites.[xxv]

- **Turn Candidates Into Brand Loyalists And Sources Of Referrals:** Encourage candidates to talk about their experiences, and give them links to post reviews (building this into online application processes is a great place to start). Give them a hashtag to pose questions about the process on Twitter. And, provide candidates with a source to provide referrals.

One Size Fits One

Different employers have different needs. Figuring out where people who are compatible with company's culture might spend their time is critical. From there, companies with leading EVPs spend time trying to truly understand the risks and benefits associated with engaging on various social media platforms. For example, a company that deals with highly classified information probably would not benefit from employees Tweeting about their work. At the same time, a team of software engineers benefit significantly by spending time on Stack Overflow.

A sample audit of social media can help companies understand where employees spend their time and which platforms provide business benefits.

Incubate Change

Even the most committed leader would have a difficult time implementing large-scale change overnight. When the BBC, a large organisation with 20,000 employees and 60,000 freelancers, decided to test out a flexible leave policy, they chose one department with a great leader and a small staff. Within this one group, the BBC eliminated the holiday-leave policy and told staff to take as much times as they felt they needed. The result? No one abused the new policy and the group collectively took less leave.

Likewise, when the BBC decided to roll back social media restrictions, they started with the networks that encouraged professionalism and offered a business benefit. For the BBC (and many other companies), LinkedIn was an obvious starting place.

This is not to say that change should necessarily encompass leave policies or a particular social network. These are simply examples of how one organisation sought to reshape trust within its organisational culture. Other organisations will find equally impactful, though possibly different, solutions that enhance EVP for their candidates and employees—ultimately providing a desirable culture for them to communicate about.

FOCUS ON TRUST

Seven in 10 job seekers agree their perception of a company improves after seeing an executive or other company representative respond to a review.

More than 3 in 4 jobseekers want to hear from employers about what makes thier company a good place to work.

A sample audit of social media can help companies understand where employees spend their time and which platforms provide business benefits.

Make Policies The Exception, Not The Norm

EVP innovators say basic policies should exist, but they should be simple, clear and purposeful. Social media policies, for example, should include:

- Clear guidelines on sharing confidential information.

- Recommendation on how and when employees can speak on behalf of the company.

- Legal considerations such as discrimination concerns – This is clearly an area of significant importance to employers and there are places where the law highlights the need to pay close attention. For example, the UK's Equality Act of 2010 holds that an employer is responsible for any action that an employee undertakes "in the course of their employment." Other laws address issues around bullying and harassment. Clearly policies can and should prohibit behaviours that can raise legal concerns and adversely impact a company's EVP.

Other types of policies can be equally straightforward. For example, Netflix's aforementioned leave policy simply asks that lengthy leaves be discussed with HR and that in certain departments; employees avoid taking leave at the beginning or end of a quarter due to financial reporting.

Once practical and necessary policies are in place, employers can expect them to be followed without exception.

MOVING TOWARD TRUST

The move away from trust is not a reflection of ill-intent on the part of employers or employees. Instead, it's a reflection of rapidly changing dynamics and ever-increasing stakes that leave leaders feeling the need to react swiftly. Risk mitigation has become standard operating procedure, whether it makes sense or not. Unfortunately, this has come at the cost of employees' voices and the value they bring with them.

The truth is that no well-crafted talking point or polished CEO speech could ever outweigh the value of an employee or candidate authentically talking about their positive experience with a company. Employers who value their EVP—and we know that's most of them—must seriously consider the role of trust in their organisations and whether a lack of it has silenced its most influential brand ambassadors.

Ultimately, the best employers will ask themselves, *What would happen if we gave people something great to talk about and then gave them the platform to do it?*

Try it and find out. Incredible things could happen when you do.

10 WAYS TO PROMOTE AUTHENTIC CONVERSATIONS ABOUT EVP

1. **DESIGN FOR THE MAJORITY** who will do the right thing, not for a minority of rogue rule-breakers.

2. **TREAT EMPLOYEES LIKE ADULTS;** establish expectation that everyone will behave accordingly.

3. **KEEP POLICIES CLEAR AND SIMPLE.** Less is more.

4. **BE TRANSPARENT,** acknowledge mistakes and explain how they're being remedied.

5. Assume that people have the **COMPANY'S BEST INTEREST IN MIND.** They usually do.

7. **DON'T PROVIDE TALKING POINTS.** Employees trusted to speak in their own voices are more authentic.

6. **RESPOND TO REVIEWS** and reinforce responses.

8. **CELEBRATE** employees for talking about the company publicly (including those who've offered constructive criticism).

10. **BE COURAGEOUS.** Leaders brave enough to move toward trust today are trailblazers.

9. If you are told something can't be done, **DIG DEEPER.** Don't give in unless the risk truly outweighs the benefit.

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About ManpowerGroup Solutions

ManpowerGroup Solutions prides itself on the ability to analyze and forecast trends impacting the world of work and the marketplace. As skills and available talent change and marketplace priorities shift, it is critical for organisations to have timely, relevant, and accurate insights into the global workforce. With this in mind, we make significant investments to understand and share observations around macro-trends (e.g., demographics, employment, economics) and their likely impact on talent sustainability.

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