

# SA only scratching surface of employer branding

By [Mark Gray](#) 12 Mar 2009

South African companies are missing out on opportunities to attract skills, cut recruitment costs and get a competitive advantage by finding good people due to a lack of a compelling employer brand.



As the quality of skills a company has over that of its competitors' has become the last bastion of competitive advantage, companies must fight to attract, retain, motivate and develop the right people. To do this, they need to position themselves as a place where the right personalities want to work. Yet, very few local companies focus enough attention and resources on this process.

## Heard of, but don't understand

Companies have heard of employer branding, but don't really know how to tackle it. About 90% of the JSE 100 still do not understand employer branding. Many companies interpret employer branding as recruitment advertising, focusing on activation rather than articulation (defining a unique brand promise), which is a bit like putting the cart before the horse. This often sees companies spend thousands on advertising the wrong brand messages.

Employer branding is an emerging discipline with its roots in classical marketing and brand management principles. It aims to position an image of a company as "a great place to work". The idea is first to develop an emotional link with the best talent, then offer prospective candidates tangible benefits based on evidence. The promise and fulfillment of an employer brand enables the attraction, motivation and retention of appropriate talent for the business to continue delivering on the corporate brand promise.

## Not a substitute

An employer brand is not a substitute for, or a separate brand, to the corporate brand but rather an extension, expressing the corporate values and attitudinal requirements in a people context.

In marketing the company's brand image to candidates, employer branding applies the same marketing and branding practices to HR tactics as would be used in customer-targeted efforts. However, in the case of employer branding, authenticity in presentation is even more critical, as great talent will very quickly validate your proposition using a wealth of information available on the web, for example, using social networks.

South African companies lag behind global competitors when it comes to the adoption of employer branding. According to the Employer Brand Institute Global Index 2008, which measures the development

of employer brands in a global context, 16% of companies already have a clear employer brand strategy, 31% have one that can be developed further, and a further 37% of companies have started working on such a strategy.

## **Shielded from skills crisis**

One reason for this is that organisations with good reputations have been shielded from the skills crisis until now. With the skills shortage tsunami set to hit South Africa full on in the next 5 - 10 years, this is going to change. Diverse levels of education quality, our brain drain, and a general shortage of senior and specialist skills around the world mean companies will have an increasingly tough time finding enough good people.

As companies start realising talent is the only way they will survive in a crisis economy, so the global demand for the best people will become more apparent. This will be to the detriment of companies without a compelling employer brand strategy when they start losing their stars.

The ability to attract skills will depend on a strong employer brand as people's perceptions of what it is like to work at a company is becoming increasingly important in their "buying decision". The link between shareholder value and people is evident - great, motivated people improve your ability to drive value. Companies with strong brands have to capitalise on this opportunity. Organisations with weak brands have to do a lot of work on their employer brands to re-educate the market accordingly.

Another inhibiting factor is complexity. Employer branding is a broad-based discipline involving many different activities across an organisation - not to mention the change management thinking required from day one. This requires specialist brand and change consultancy coupled with marketing skills to successfully develop and launch a new image.

## **Need for specialist providers**

In my experience, most companies lack these abilities in-house. Most corporate brand agencies possess these skills but lack an understanding of good HR or shy away from related activities, as it seems an unlikely match for their strategic efforts. This creates the need for specialist providers that can successfully operate across all boundaries.

Employer branding is a cost-effective, sustainable strategy with a far better return on investment than traditional recruitment advertising. Companies need to proactively understand what prospective employees are looking for and map what they can provide to them.

Once a strong employer brand is established, the success of future recruitment campaigns will enable companies to get a much better return on traditional advertising. By cutting out the recruitment agency middleman, South African companies can further dramatically cut their staffing costs while building up a steady pipeline of great talent.

## **ABOUT THE AUTHOR**

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