

8 Nov 2022

# Employer brand

Introduces employer branding, why it's important, and how organisations can develop a strong brand aligned with their values

## Introduction

All organisations have an employer brand. It's the way in which organisations differentiate themselves in the labour market, enabling them to attract, recruit, retain and engage the right people. A strong employer brand helps businesses compete for the best talent and establish credibility. It should connect with an organisation's values and must run consistently through its approach to people management.

This factsheet looks at why employer brand is important, how technology and social media are affecting employer brand, and its particular importance in recruiting talent, and mergers and acquisitions. It outlines the benefits of having a strong brand and the stages of developing one. Finally, it discusses the organisation's employee value proposition.

See the **[full A-Z list of all CIPD factsheets](#)**.

## What is employer branding?

All organisations need to understand what their employees, stakeholders and customers think of them. Marketing professionals have developed techniques to help attract customers, communicate with them effectively and maintain their loyalty to a consumer brand. Employer branding involves applying a similar approach to people management and describes how an organisation markets what it has to offer to potential and existing employees.

Our 2008 guide, *Employer branding: a no-nonsense approach*, (available to CIPD members in our [HR and L&D archive database](#)), defines an employer brand as '...a set of attributes and qualities, often intangible, that makes an organisation distinctive, promises a particular kind of employment experience, and appeals to those people who will thrive

and perform best in its culture'.

A strong employer brand should connect an organisation's values, people strategy and policies, and be linked to the company brand. A key part of an organisation's culture and values are the ethical standards that the employer upholds through the practice of its employees. Employer brand is therefore influenced by corporate social responsibility and how the business impacts wider society.

## **Why is employer branding important for people professionals**

In the last two decades, 'branding' has become a central concept in organisational and social life. Our 2007 report *Employer branding: the latest fad or the future of HR?* (available to CIPD members in our HR and L&D archive database) identified four main reasons for this: brand power, credibility, employee engagement and the prevailing labour market conditions.

Many people professionals have embraced the language and techniques of branding to enhance their strategic influence and credibility. Organisations now recognise the value of a branding approach to the whole employee lifecycle as they seek to build an engaged workforce and ensure a positive work experience.

According to Hosseini et al (2022) Sustainable Human Resource Management practices lead to improved employer brand perceptions. The same study also found that positive employer branding also results in better performance against competitors, by retaining talent and increasing levels of employee engagement. Therefore, HR teams need to play their part by working collaboratively with colleagues in marketing, public relations, internal communications and corporate responsibility, to share expertise and get maximum benefits from developing an employer brand.

### **The importance of employer brand**

Employer branding becomes even more important in times of economic uncertainty, particularly in a labour market where there are skill shortages and organisations competing for talent. More recently, the COVID-19 pandemic has pushed employer responsiveness and corporate responsibility into the spotlight. For example, employers risk reputational damage if they treat their employees poorly which could have a negative impact on future candidates' perception of the organisation.

Our People Profession 2030: a collective view of future trends report highlights an

increasing demand for [responsible business](#), transparency, and accountability, suggesting areas where employer brand management needs attention. Additionally, this work also highlights evolving employment relationships, changing employee expectations and the importance of [employee voice](#) within organisations. There's more on employees' attitudes to work, levels of engagement and job satisfaction in our [Good Work Index](#) survey (previously UK Working Lives).

The popularity of social media used in people's professional lives only increases the importance of continued attention to the employer brand and credibility. Organisations need to be particularly aware of both the positive and negative feedback that can be given by past or present employees on social media.

Cyber attacks, hackers and fake news are another modern threat to organisations and their online content. Organisations should plan for this, address negative feedback and breaches quickly and monitor where necessary.

## **How can organisations benefit from developing an employer brand?**

Organisations can use an employer brand to help them compete effectively in the labour market and drive employee loyalty through effective recruitment, engagement and retention practices. CIPD's [Resourcing and Talent Planning 2022 report](#) highlights the most important elements of employer brand for attracting candidates, showing some variation between business sectors.

All organisations have an employer brand based on how they are perceived as a 'place to work', for example by potential candidates, current employees and those leaving the organisation. Organisations should also consider inclusion and diversity as part of their employer brand to ensure they are attracting a diverse range of candidates (for more on inclusion and diversity in the recruitment process, see our [2022 Resourcing and Talent Planning Survey](#)).

To be effective, the brand should be evident throughout the employee lifecycle and across the organisation's approach to people management. For example, it can affect the approach to:

- Induction.
- Performance management and reward.
- Managing internal communications.
- Promoting effective management behaviours.

- People leaving the organisation.

To deliver benefits, it's important that the employer brand is not merely rhetoric restating the organisation's values, but reflects the actual experience of employees. An employer brand approach involves research with employees to understand their attitudes and behaviour, for example, through a staff attitude survey or focus groups. This employee insight can inform metrics on 'people performance' in the organisation, giving an opportunity to demonstrate links to organisation performance.

Organisations could choose to monitor their employee brand through quantitative data such as number of applications for roles, acceptance of offers, employee engagement scores, reduction in costs or more qualitative feedback. Organisations should be able to answer questions on 'what sets them apart from their competitors'.

## How to develop an employer brand

Our guide, *Employer branding: a no-nonsense approach*, (available to CIPD members in our [HR and L&D archive database](#)), gives detailed advice and suggestions for developing an employer brand. It identifies four stages of development:

- **Discovery.** Understanding how the employer brand is perceived by various stakeholders. This could include:
  - Holding workshops with senior management.
  - Running internal and external focus groups.
  - Carrying out employee surveys.
  - Ensuring senior leader buy-in.
  - Auditing the candidate journey.
- **Analysis, interpretation and creation.** Building a clear picture of what the organisation stands for, offers and requires as an employer – its distinctive 'value proposition'. This could include:
  - Defining brand attributes.
  - Defining overall employment value proposition.
  - Developing an overall creative brief.
  - Behaviour and attribute mapping.
- **Implementation and communication.** The brand is applied for the first time in the organisation. This could include:
  - Applying the brand to induction, applicant information, briefings for recruiters, interview and assessment process.

- Launching brand internally.
- Applying the brand to the organisation's website and social media communications.
- **Measurement, maintenance and optimisation.** Checking progress and maintaining momentum. This could include:
  - Probing internal and external response and perception of the new brand.
  - Measuring improvements in the recruitment and retention metrics.
  - Measuring uptake in terms of actions that demonstrate the business is 'living the brand'.

Developing an employer brand requires careful consideration of ethical practice. Find out more in our factsheet on [ethical practice and the role of HR](#).

## The employee value proposition

The 'employee value proposition' describes what an organisation stands for, requires and offers as an employer. The [psychological contract](#) between employers and workers addresses and sets expectations, beliefs and obligations of the employment relationship.

Rather than focussing on a single value proposition, organisations are beginning to take a more segmented approach. Employee segmentation is driven by the idea that employees, like customers, are not a homogenous group. It can be beneficial to personalise the employment relationship to the needs of a diverse workforce – and this can mean emphasising different elements of the value proposition to different groups of employees or creating subsets of the overall value proposition. Our guide on [creating an employee resource group for black and ethnic minority employees](#) is one example of a focused approach to ensuring representation and voice of different groups of employees is considered within the organisation.

International organisations need to decide whether to promote one single employer brand and value proposition or different ones for different areas. For example, global brand values might need local interpretation to cater for cultural diversity.

In addition, mergers and acquisitions have a particularly significant impact on the brand and shake the 'deal' which exists between the individual and their employer. Many employees are disempowered and may feel they are working in a job they did not pick, for an organisation they did not choose to work for, so reviewing employer brand the employee value proposition may be required after such changes.

## Further reading

### Books and reports

HOSSEINI, S.A., Moghaddam, A., Damganian, H. et al. (2022). *The Effect of Perceived Corporate Social Responsibility and Sustainable Human Resources on Employee Engagement with the Moderating Role of the Employer Brand*. *Employee Responsibilities and Rights Journal* 34, 101–12.

KEOHANE, K. (2014) *Brand and talent*. London: Kogan Page

MOSLEY, R. (2014) *Employer brand management: practical lessons from the world's leading employers*. Chichester: Wiley.

Visit the [CIPD and Kogan Page Bookshop](#) to see all our priced publications currently in print.

### Journal articles

BURT, E. (2017) *Menzies: 'Your employees are your best ambassadors'*. *People Management* (online). 28 June.

ERICKSON, T. and GRATTON, L. (2007) What it means to work here. *Harvard Business Review*. Vol 85, No 3, March. pp104,106-112.

FARRAND, L. (2018) *What are candidates saying about you online?* *People Management* (online). 23 August.

KUCHEROV, D. and SAMOKISH, V. (2016) Employer brand equity measurement. *Strategic HR Review*. Vol 15, Issue 1, pp29-33.

KUNERTH, B. and MOSLEY, R. (2011) Applying employer brand management to employee engagement. *Strategic HR Review*. Vol 10, No 3, pp19-26.

CIPD members can use our [online journals](#) to find articles from over 300 journal titles relevant to HR.

Members and *People Management* subscribers can see articles on the [People Management](#) website.