

Why it is Becoming Harder to Attract and Retain the Best People and What You Can Do About It.

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ONE of the more **striking** attributes we know of human nature is our resistance to **change**.

Generally we dislike change and wait until the last moment before we consider changing behaviour. I was reminded of this a decade ago in a hospital Emergency Department with my father, who had suffered his first heart attack. Dad had been a life-long smoker and drinker, and was lucky this attack was a mild one. He was actually in quite good spirits as the nurse filled out his health status form – name, age, sex, etc. She got to the box of ‘Smoker – YES/NO’ to which my father replied ‘NO’.

In more than twenty years of research and experience, I have observed two main forces of change...

FIRST, when people evolve their behaviour in a particular market.

When I first started researching teenage boys and their attitudes towards clothing fifteen years ago, two-hour sessions talking about fashion and shopping were hard going. Shopping was something to be done under great sufferance, and if you had a girlfriend it was a sign of true commitment if she did it for you. Conduct the same sessions now and you get lively discussions about various brands, fit, fabric, style, and much more.

The **SECOND** type of change is in products and markets.

Remember the good old days of shopping around for your first home loan, and how demeaning that process was? You practically had to beg the bank manager to lend you the money, demonstrating that you were a fine upstanding citizen, and would willingly hand over your first-born child should there be a hiccup with the repayments. Now, one merely has to whisper ‘home loan’ out of the corner of one’s mouth and a battalion of personal sales consultants armed with laptops materialises on your doorstep after dinner, or ‘at a time that suits you, sir or madam, to discuss how we can tailor a loan to suit your particular needs’.

What on earth happened there? How and why do markets change so significantly?

CHOICE is what happened.

Fundamentally, choice forces a shift in power from the seller to the buyer - the pertinent word being 'force'. Now I don't actually recall the banks coming out and actively leading the charge to be more flexible and customer-friendly. The fact is, they were forced to change in order to maintain their market share, by competitors who had begun to offer choice to consumers.

What are the factors that lead to such change and what are the implications?

I have just completed my first book on one such market close to our hearts, that of the brand of 'employer'. From my extensive research, particularly amongst the infamous Gen Y, it appears employees are not as engaged with their employment brand as they are with other goods and services. The workplace is where many of us spend five days of every week (more than many spend with their life partner), the place to which our aspirations and ability to progress in life are inextricably linked, and where for many, our self-esteem is determined. Should we not be as emotionally attached to that place as we are to our Nikes?

Choice is about to hit the workplace like never before.

If you weren't sure about a skills shortage, here are some pretty startling statistics in relation to the global labour market.

- **In 2013, 50% of the world's workforce will be in India or China, and by 2025 these two countries will produce 27% of world GNP (World Bank).**
- **Between 2000 and 2010 the population of Europe will decrease by over 14 million.**
- **Between 2030 the European Union's active labour force will be 20 million short of the levels required to sustain growth and pay for an ageing population.**
- **The US Bureau of Labor Statistics projects a shortfall of 10 million workers in the US by 2010.**
- **In the near future in Australia, for almost the first time in history, more Australian's will leave the workforce than enter it.**

If we think about the skills shortage and the inevitable effect this will have on organisational ability to attract and retain the best talent, then it stands to reason that a more engaged workforce will have a positive effect on turnover levels. Traditional marketers know that the value of a brand lies in the development of a loyal audience – one that isn't just attracted to a product for the functional benefits it offers.

As legendary social researcher Hugh Mackay says, 'A good brand is not one that makes consumers feel good about the brand. A good brand makes consumers feel good about themselves.'

A brand that delivers on both functional attributes and emotional benefits stands to gain a long-term loyal audience.

Why is a workplace any different?

Shouldn't employers want staff to be every bit as involved and engaged as their most loyal customers? Do employers really believe that merely applying a poster with the company mission statement in the foyer of the office is the most powerful way to achieve that engagement?

There's no reason why a workplace shouldn't be considered as a brand. It is in markets that have undergone dramatic change, where choice has exploded, that brands fight for engagement like seagulls over a potato chip.

This is where '**Forced Focus**' becomes paramount. This is the focus – brought about by force – necessary to make your brand offer as relevant as possible in order to maintain your share of talent.

My research suggests that despite the power of the employer and the overwhelming need for the brand to communicate effectively with its constituents, the concept of a 'brand' in the workplace is embryonic!

- The marketing focus of most companies revolves around refining the *external* brand promise to consumers in order to maximise engagement and generate loyalty towards the brand. The entire marketing effort is directed outwards, there is a distinct lack of corresponding internal effort towards representing the company brand in order to engage current or potential employees.
- Of those companies who do seek to describe the nature of their

company brand to engage internal markets, many regress to the functional aspects of their offer. Despite knowing that the real key to the success of their external brand is not the *functional* attributes but the *emotional* engagement of their brand to consumers, when it comes to their own internal audience many explain their offer in terms of base level hygiene factors.

- The preparedness for this revolution is different all over the world. Some countries are well down the track of understanding the impact of good corporate branding (e.g. the US) although even there the concept is still in its infancy. In Australia, we are well behind the pace. Some companies are blissfully unaware, some are aware but haven't got the faintest idea how to address it – and a very small proportion are taking positive steps to better manage their future.
- There is a very basic issue of custodianship that needs to be determined for many companies who venture into employer branding; that of the varied interests of the HR department versus the Marketing department.

So how do you build your employer brand?

Like any brand, your employer brand is about perception – how you want to be perceived by your customers, except in this case, your customers are your current and potential employees. The steps one takes to develop an employer brand are actually identical to the steps taken in developing an external brand – but the focus is obviously different.

Get the development right though, and just like a robust external brand, it can be used to guide the whole employment experience.

There are 5 steps involved in building an employer brand and I call them the five 'A's.

1. Analyse
2. Audit
3. Aspire
4. Apply
5. Assess

Summary

Undoubtedly the work place is an area headed for substantial change with fundamental changes in rules of engagement. The concurrently developing factors of a global skills shortage, and significantly different attitudes towards work of emerging generations will force a power change away from employers and to employees.

Change and human resistance is inevitable.

You need to force yourself to focus and take action **now** to develop an employer brand that is relevant and engaging to both existing and potential employees.