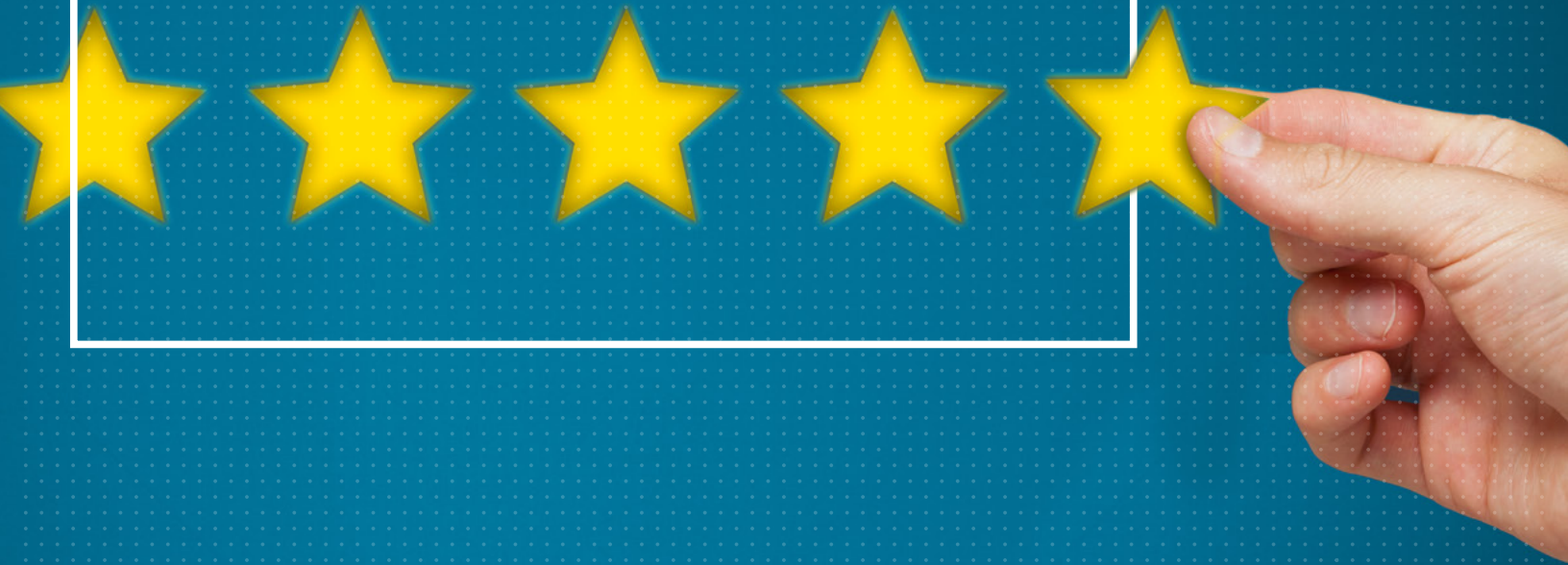


THE EMPLOYER BRAND CREDIBILITY GAP: BRIDGING THE DIVIDE



INTRODUCTION

In 2014, Weber Shandwick conducted a research study with KRC Research that broke new ground. The survey, *Employees Rising: Seizing the Opportunity in Employee Activism*¹, demonstrated that the digital age had sparked a new social movement: employee activism, or advocacy. Employee activists were found to be more than just engaged employees. They made their engagement visible, defended their employers from criticism and acted as advocates, both online and off. The Internet had unleashed an army of allies as well as detractors that needed to be reckoned with and managed.

Following on those learnings, Weber Shandwick wanted to better understand how companies and organizations could build employer reputations that deepen employee engagement and maximize talent recruitment efforts. The new research, *The Employer Brand Credibility Gap: Bridging the Divide*, again conducted with KRC Research, is based on 1,902 full-time employees across 19 markets worldwide.



Employer branding has become an imperative in an era where talent is hard to recruit, change is rampant, engagement is weak, and Millennials have their sights on the next job. A credible employer brand revolves around a compelling narrative that is authentic, recognizable and brings to life the actual experience employees have working at an organization, whether it is the culture, leadership, training, opportunities or communications.

Kate Bullinger, Executive Vice President and Global Lead, Employee Engagement & Change Management, Weber Shandwick



The study explores the intersection between employer reputation and the employee experience. It confirms why employers should create best-in-class employer brands and informs how to build and activate them. We find that few employees globally perceive a strong match between how their employers represents themselves and what they experience, highlighting a credibility gap that exposes employers to reputation risk. Closing the gap provides an opportunity for employers to more successfully drive recruitment, engagement, and retention. An authentic employer brand is particularly critical in an age of extreme transparency where job candidates make reputational assessments with ease based on what an organization's employees say online or through word of mouth.

¹ *Employees Rising: Seizing the Opportunity in Employee Activism*, Weber Shandwick & KRC Research, 2017

WHAT WE DID

In partnership with KRC Research, Weber Shandwick conducted a 20-minute online survey from June 18 to August 1, 2017 among a total of 1,902 employed adults, ages 20 to 65, who work at least 30 hours per week for a large organization (500 or more employees in the U.S. and 250 or more employees in all other countries). Employees were distributed across industries, professions and job levels. Self-employed and freelance employees were not included.

100 interviews were conducted in each of the following 19 markets across the globe. Surveys were conducted in local languages.

NORTH AMERICA

United States
Canada

EMEA

UK
France
Germany
BENELUX
Switzerland
Sweden
South Africa
UAE

LATIN AMERICA

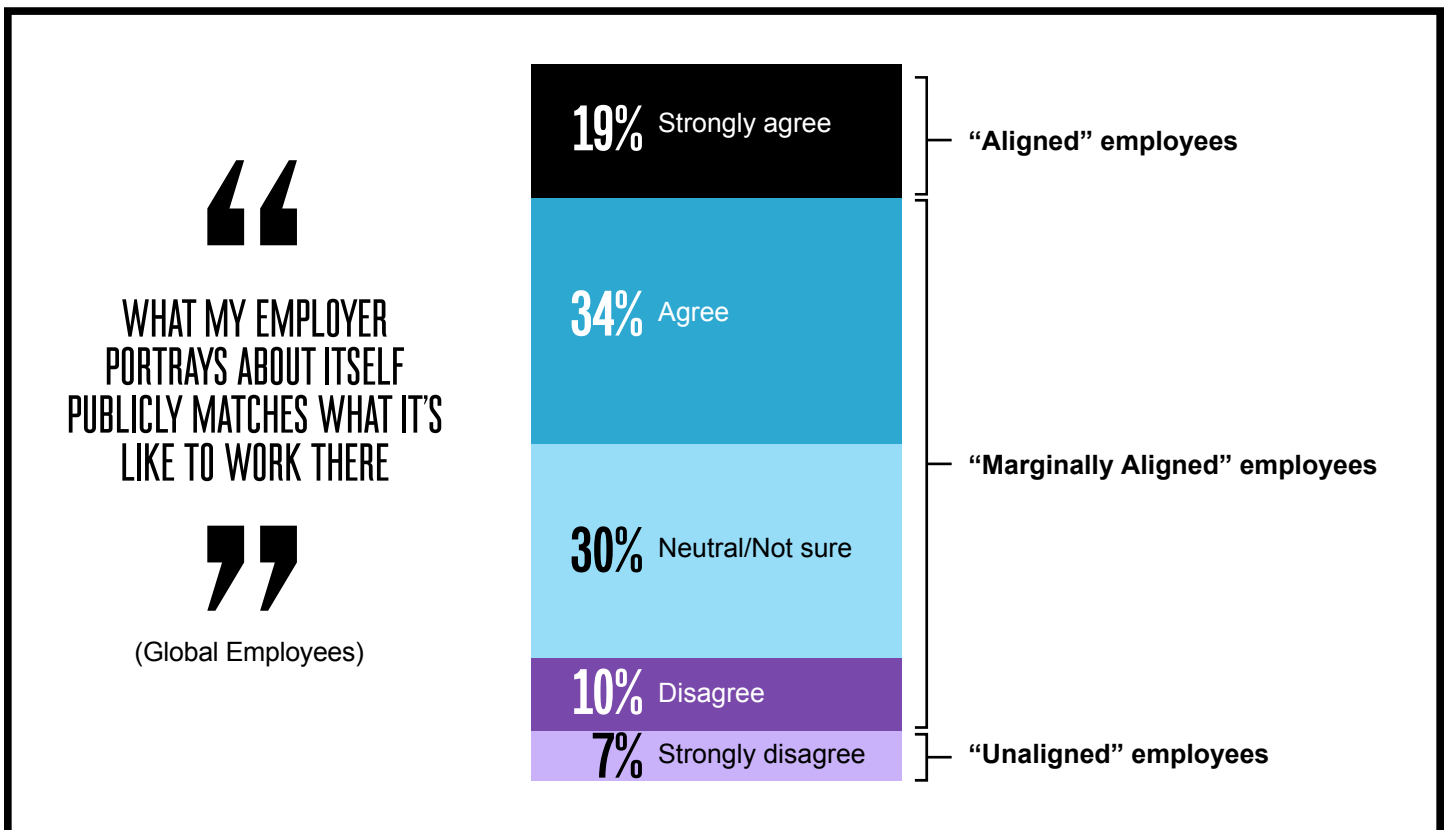
Brazil
Mexico

ASIA PACIFIC

Australia
India
Singapore
Hong Kong
China
Japan
South Korea

THE CONTINUUM OF EMPLOYER BRANDS

The level of employer brand credibility is less than ideal, with just 19% of employees globally perceiving a strong alignment between what their employer says about itself and their experience working there. The good news is that the terrain for improvement is wide open: only a minority of employees (7%) strongly disagree that there is any match (we call them “unaligned”). The largest segment – 74% – falls in between. These are “marginally aligned” employees because their employers have the opportunity to narrow the perception-and-experience gap by creating an employer brand that employees recognize, believe and promote.



Shifting employees from marginally aligned or unaligned to aligned is not an easy task, but the rewards are substantial and necessary to succeed in the competitive talent marketplace.

THE BUSINESS CASE FOR BRIDGING THE DIVIDE



Although credible employer brands are hard to achieve, organizations reap the following advantages for their bottom-lines when there is alignment between the employer brand and the employer experience:

BETTER RECRUITMENT

Employees in aligned organizations are more likely than organizations on average to recommend their employer as a place to work (76% vs. 54%, respectively).

STRONGER ADVOCACY

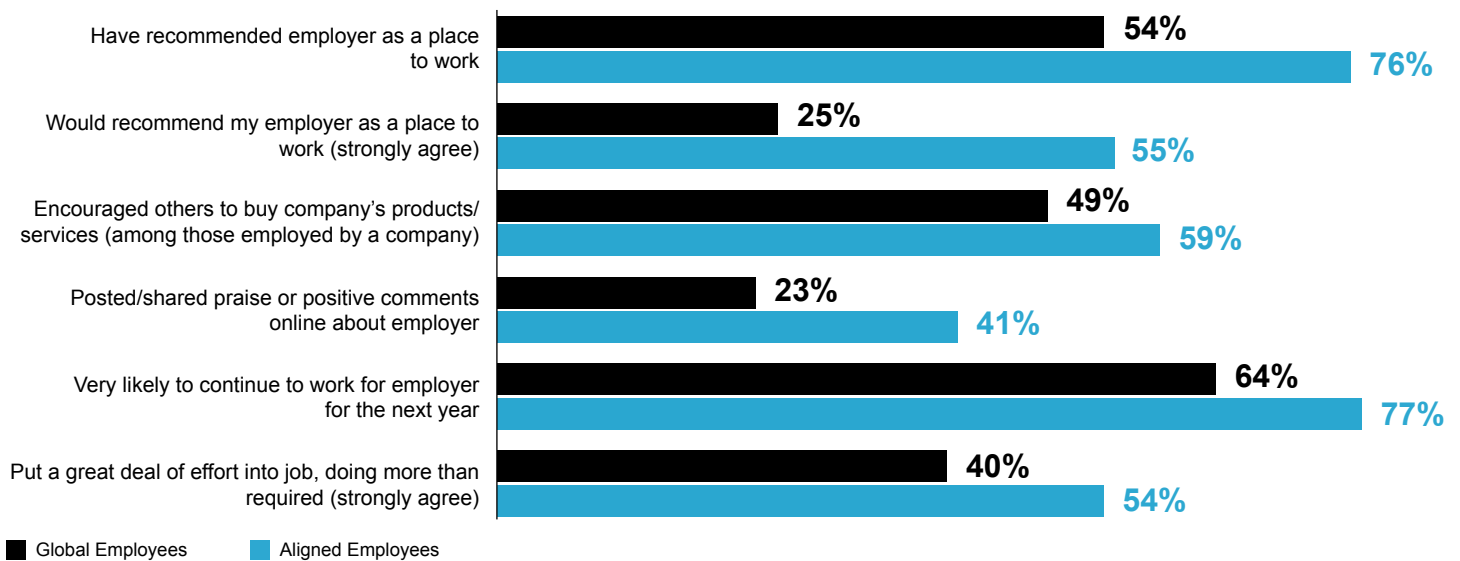
Employees in aligned organizations are more likely than organizations on average to encourage others to buy their company's products or services (59% vs. 49%) and post or share praise online about their employer (41% vs. 23%).

GREATER RETENTION

Employees in aligned organizations are more likely than organizations on average to be very likely to continue to work for their employer for the next year (77% vs. 64%).

INCREASED PRODUCTIVITY

Employees in aligned organizations are more likely than organizations on average to put more effort into their job than is required (54% vs. 40%).

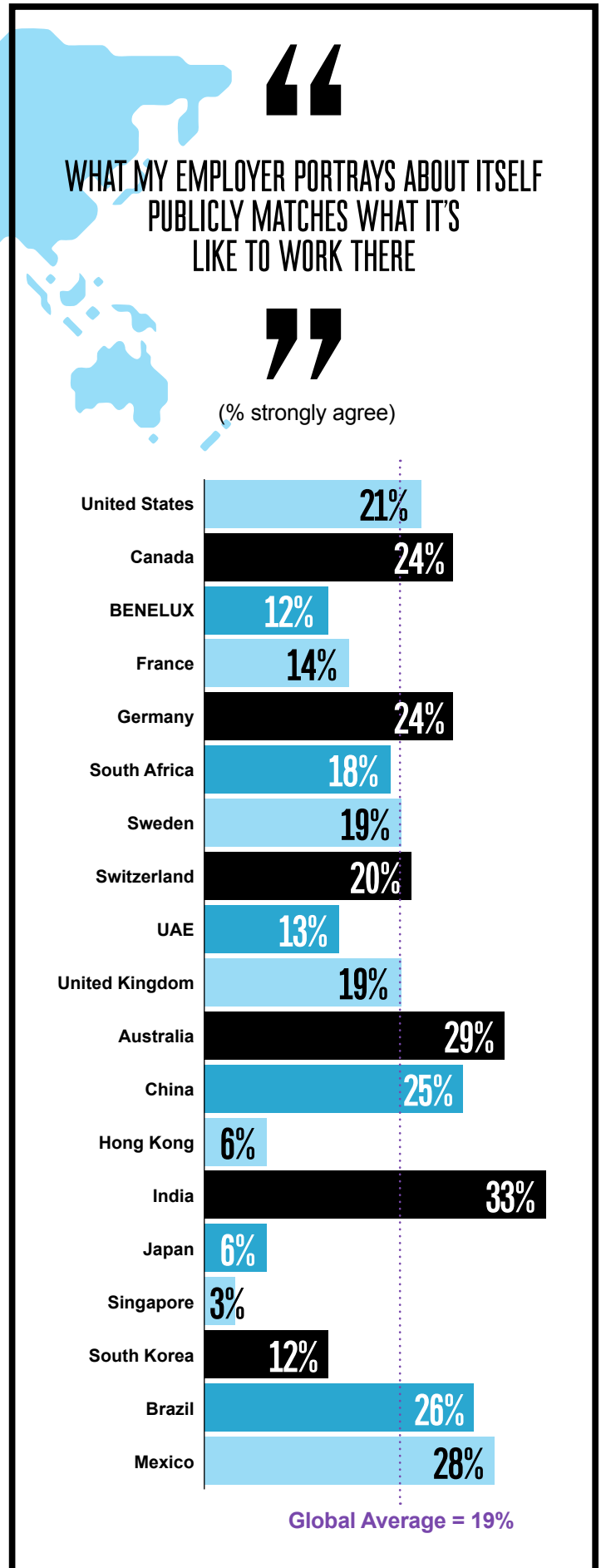


For all these measures, aligned employee results are significantly higher than unaligned employee results.



THE STATE OF THE EMPLOYER BRAND ACROSS THE GLOBE

Our survey canvassed employees in 19 markets in North America, EMEA (Europe, Middle East and Africa), APAC (Asia Pacific) and Latin America. None of these markets have perfectly aligned employer brands according to employees, but some markets perform better than others. Indian employers have the highest rate of alignment, with 33% of employees reporting that there's a strong alignment between what their employer says about itself and what they actually experience. Rounding out the top five markets with the narrowest credibility gaps are Australia (29%), Mexico (28%), Brazil (26%), and China (25%).



A GROWING NEED FOR CREDIBLE EMPLOYER BRANDS

The war for talent is a hyper-competitive global concern, and winning the battle is critical to lasting success. As we had reported in 2014 in *Employees Rising: Seizing the Opportunity in Employee Activism*, employees are in a state of upheaval. Discontent and disruption, among other contributing factors, continues into 2017 with a seemingly eroding impact on employee engagement and an affinity for the employer brand.

- The vast majority of global employees (85%) today report experiencing organizational changes that affect their jobs. This already high level has not changed since 2014 (84%).

CHANGE EVENTS EXPERIENCED AT CURRENT EMPLOYER IN PAST FEW YEARS

(Global Employees)



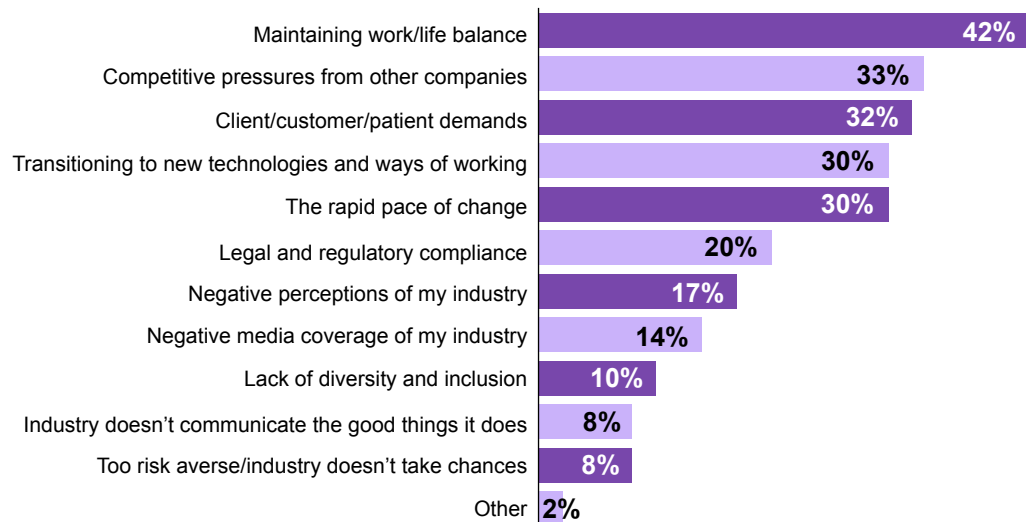
- Employee engagement is weak and declining, from an average engagement level of 30% in 2014 to an average of 27% in 2017. Similarly, global professional services firm AON finds that global engagement dropped from 2015 to 2016, with the decline attributed to anxiety permeating the workplace and technologies competing for jobs like never before.²

² 2017 Trends in Global Employee Engagement, AON, 2017



CHALLENGES FACING INDUSTRY THAT AFFECT FEELINGS ABOUT JOB

(Global Employees)



- Many employees in our survey are dealing with multiple challenges facing their industry that affect how they feel about their workplaces, with work/life balance leading the list of challenges (42%). For those employees most likely to leave their jobs in the next year (“At Risk” employees), work/life balance is even more acute (46%).

Amidst this extensive and continuing unrest, declining engagement, and work/life balance challenges, an organization’s overall reputation becomes a highly sought-after proposition, competitive differentiator and risk mitigator. Employees at organizations with well-aligned employer brands are more than 11 times as likely as unaligned employer brands to say their organization has a ‘very good’ reputation. More importantly, a positive overall reputation is a real factor in considering a new employer, particularly among At Risk employees. When the average employee is asked which criteria they would consider if they were searching for a new job, the “basics” such as compensation, employer financial stability, etc. are (unsurprisingly) the top factors. But for At Risk employees, the reputation of the next employer rises to the #2 position in the consideration set.



TOP FIVE FACTORS IN A NEW JOB SEARCH THAT ARE 'VERY IMPORTANT' TO EMPLOYEES

GLOBAL EMPLOYEES



AT RISK EMPLOYEES

(Very likely to leave job in next year)



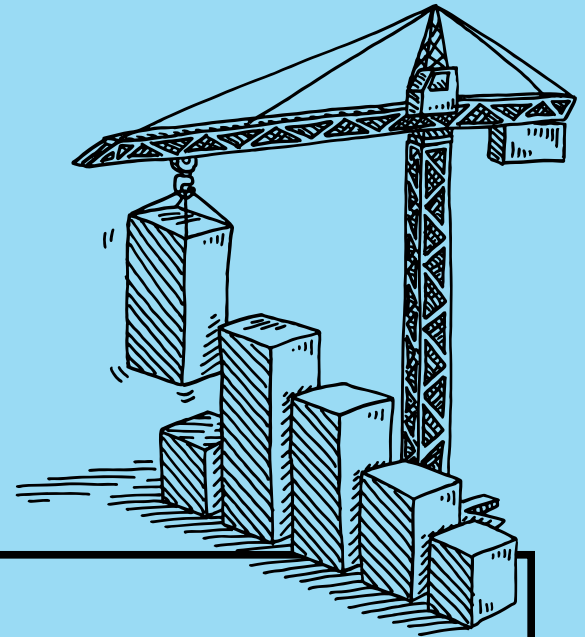
A strong employer reputation is no small change. The reputation of your employer is worth its weight in gold, but only if it turns out to truly reflect what it is actually like to work there. In this age of mega-transparency and instantaneous online reviews, employers are now accountable to who they say they are, how they treat people and live their values, and how they make a difference. Employees are more than reputation spectators, they are shaping employer brands for better or for worse every day.

Leslie Gaines-Ross, Chief Reputation Strategist, Weber Shandwick

BUILDING & ACTIVATING BEST IN CLASS EMPLOYER BRANDS

How can employers get started on a rewarding employer brand journey? We examined the exclusive set of 19% aligned employees to identify the characteristics that distinguish organizations with successful employer brands. Not surprisingly, a credible employer brand doesn't happen by accident. It is fostered deliberately through values, leadership and good employee communications and is externalized authentically through a conscious effort to align words with actions and allow employees to share their experiences.

Best practices are gleaned from our research, falling into a "Build & Activate" model.



BUILDING TOP EMPLOYER BRANDS

In designing a successful employer brand, aligned organizations...

1 LEAD WITH PURPOSE AND VALUES, BOTH INTERNALLY AND EXTERNALLY.

In aligned organizations, employees are much more likely than those in the average global organization to strongly agree that their employer provides them with the training and resources needed to do their job well (54% vs. 23%, respectively), treats all employees fairly regardless of race, gender, age, sexual orientation or cultural differences (58% vs. 28%), and has a social purpose, striving to make a positive contribution to the world or market it operates in (54% vs. 24%).

2 ESTABLISH VALUES THROUGH STRONG AND VALUES-BASED LEADERSHIP.

In aligned organizations, employees are much more likely than those in the average global organization to strongly agree that their employer's leadership team behaves in accordance with the organization's vision and values (48% vs. 20%, respectively), creates a good culture and makes the organization a good place to work (45% vs. 18%), is responsive when a crisis or problem arises in the organization (46% vs. 21%), instills trust (41% vs. 16%), and acknowledges the good work of its employees (41% vs. 17%).

3 ENSURE EMPLOYEES KNOW THE ORGANIZATION'S VALUES.

In aligned organizations, employees are much more likely than those in the average global organization to strongly agree that their employer has a clear code of conduct (65% vs. 31%, respectively), effectively communicates their employer's vision and goals for the future (57% vs. 29%), and does a good job of keeping employees informed (42% vs. 16%).

THE FACTORS THAT SET ALIGNED EMPLOYER BRANDS APART

	% strongly agree that...	Global Employees	Aligned Employees	GAP (Aligned minus Global)
VALUES & PURPOSE	My employer provides me with the training and resources I need to do my job well.	23%	54%	+31
	My employer treats all employees fairly regardless of their race, gender, age, sexual orientation or cultural differences.	28%	58%	+30
	My employer has a social purpose and strives to make a positive contribution to the world or market it operates in.	24%	54%	+30
LEADERSHIP	Leadership behaves and acts in accordance with the organization's vision and values.	20%	48%	+28
	Leadership creates a good culture and makes the organization a good place to work.	18%	45%	+27
	Leadership is responsive when a crisis or problem arises in the organization.	21%	46%	+25
	I trust leadership.	16%	41%	+25
	Leadership openly acknowledges when an employee does a good job.	17%	41%	+24
INTERNAL COMMS	My employer has a clear code of conduct.	31%	65%	+34
	I know my employer's vision and goals for the future.	29%	57%	+28
	My employer does a good job of keeping me informed.	16%	42%	+26

ACTIVATING TOP EMPLOYER BRANDS

How can employers deploy their employer brands and bring them to life? In our 2014 *Employees Rising: Seizing the Opportunity in Employee Activism* study, we demonstrated that select segments of the employee population are activists who have the potential to draw positive visibility to their workplace. Some go so far as to defend their employers from criticism and act as employer advocates, both online and off.

For the credible employer brand to reap maximum rewards, activists need to show up in force, with social media providing reach and authenticity like no other channel can. This year's study finds that 32% of global employees post messages, pictures or videos in social media about their employer or their work very often, somewhat often or from time-to-time. In aligned organizations, this activism rises to 48%. With such a high correlation between activism and a well-aligned employer brand, we examined what organizations do to promote activist behavior.

EMPLOYERS OF ACTIVISTS DO THE FOLLOWING TO LEVERAGE SOCIAL MEDIA ON THEIR BEHALF:

1 ENCOURAGE

Activist employees are more than twice as likely as global employees overall to report that their organizations encourage employees to share content about their work lives on social media (34% vs. 16%, respectively).

3 PROVIDE THE RULES OF THE ROAD

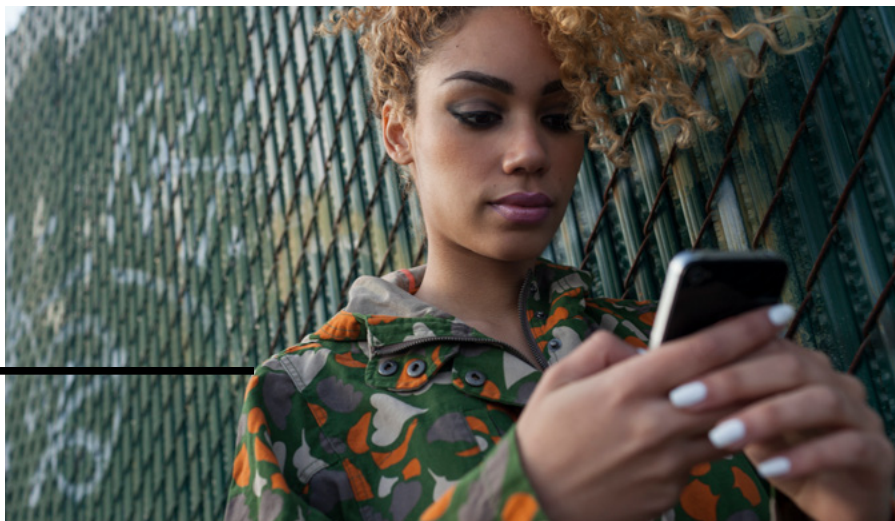
Employee activists are more likely than global employees overall to say their employer has rules and policies about how its employees should and should not use social media to discuss work-related matters (53% vs. 47%).

2 PROVIDE THE CHANNEL

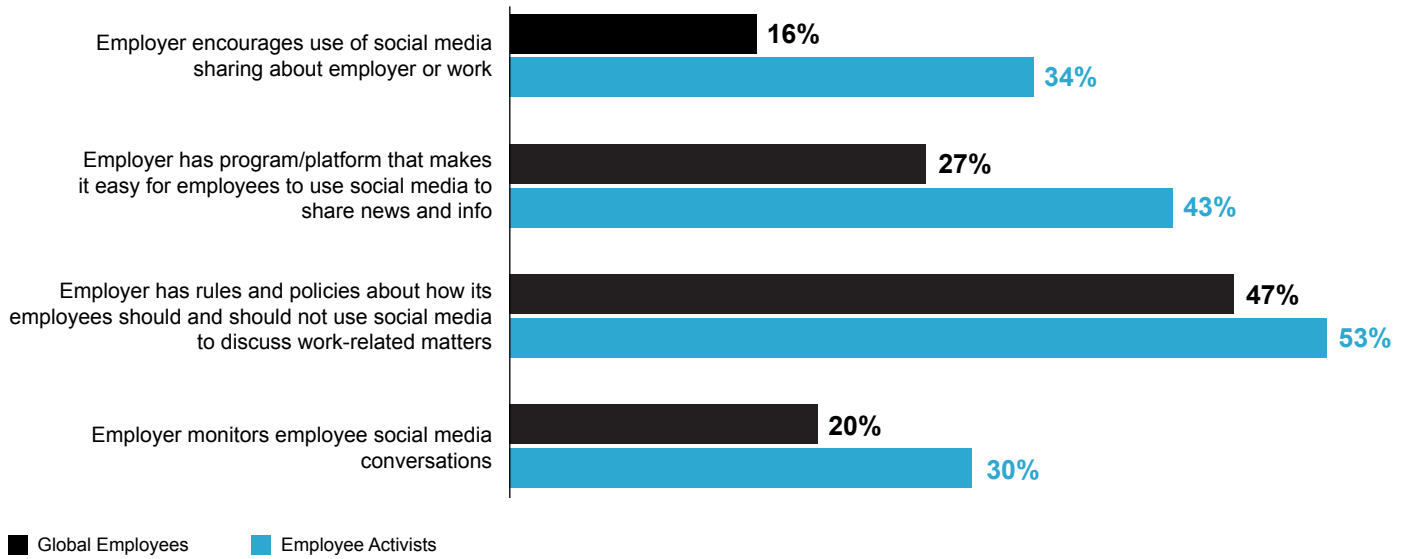
Activist employees are more likely than the average global employee to work for organizations that provide a platform or program to activate their brand messages on social media (43% vs. 27%).

4 SERVE AS AN ENGAGED EMPLOYER

Employee activists are more likely than global employees overall to say that their employer monitors employee social media conversations (30% vs. 20%), suggesting that their employers care about what is being said or not said about their reputation.



EMPLOYERS OF ACTIVISTS DO THE FOLLOWING TO LEVERAGE SOCIAL MEDIA:



Employers do not need to limit their employer brand’s exposure to social media. Employer review and ratings sites, such as Glassdoor and more localized sites (Vorkers in Japan, Kanzhun in China, Jobui in Hong Kong, Jobstreet in Singapore, OCCMundial in Mexico, Catho and InfoJobs in Brazil, as examples), provide unfiltered views into an employer’s culture. Half of employee activists (49%) are very or somewhat familiar with these sites, and even more — 60% — say they have used such sites for various activities, like checking salary information and seeing what

is being said about their own employer. Yet these sites seem to be untapped opportunities for building an employer brand, as only 18% of aligned employees report posting their experiences with their current or a past employer on these sites. Employers should make an effort to understand these sites and selectively respond to reviews so that employees know that they are being heard and listened to. Several of these rating sites provide employers with the capability to respond to employee reviews.

WHEN WORKING WITH CLIENTS,

Weber Shandwick recommends an employer branding process that involves first understanding an employer’s current reputation in the talent marketplace and defining what it wants to be known for in the future. Secondly, companies must look within, completing an internal audit to ensure they are walking the talk. This includes making key changes to the employee experience that will help the company to deliver on its promises.



Only after resonance testing with current employees and efforts to address areas of misalignment should an organization deploy its employer brand. Where this process is followed, employees are typically willing and eager advocates.

These elements of design and activation demonstrate that a well-aligned, credible employer brand starts from within the organization. When employees are empowered with the tools to externalize their experience and alignment with a workplace, an authentic narrative emerges, allowing organizations to tap into the ROI of their employer brands.



On a macro level, the findings from our study call into question the credibility of many employer brands. Employers have to strive for greater accuracy and authenticity in describing themselves and activate employees — their most credible spokespeople — as their storytellers and advocates if they are to earn the trust of their prospects and employees.

Kate Bullinger, Executive Vice President and Global Lead, Employee Engagement & Change Management, Weber Shandwick



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