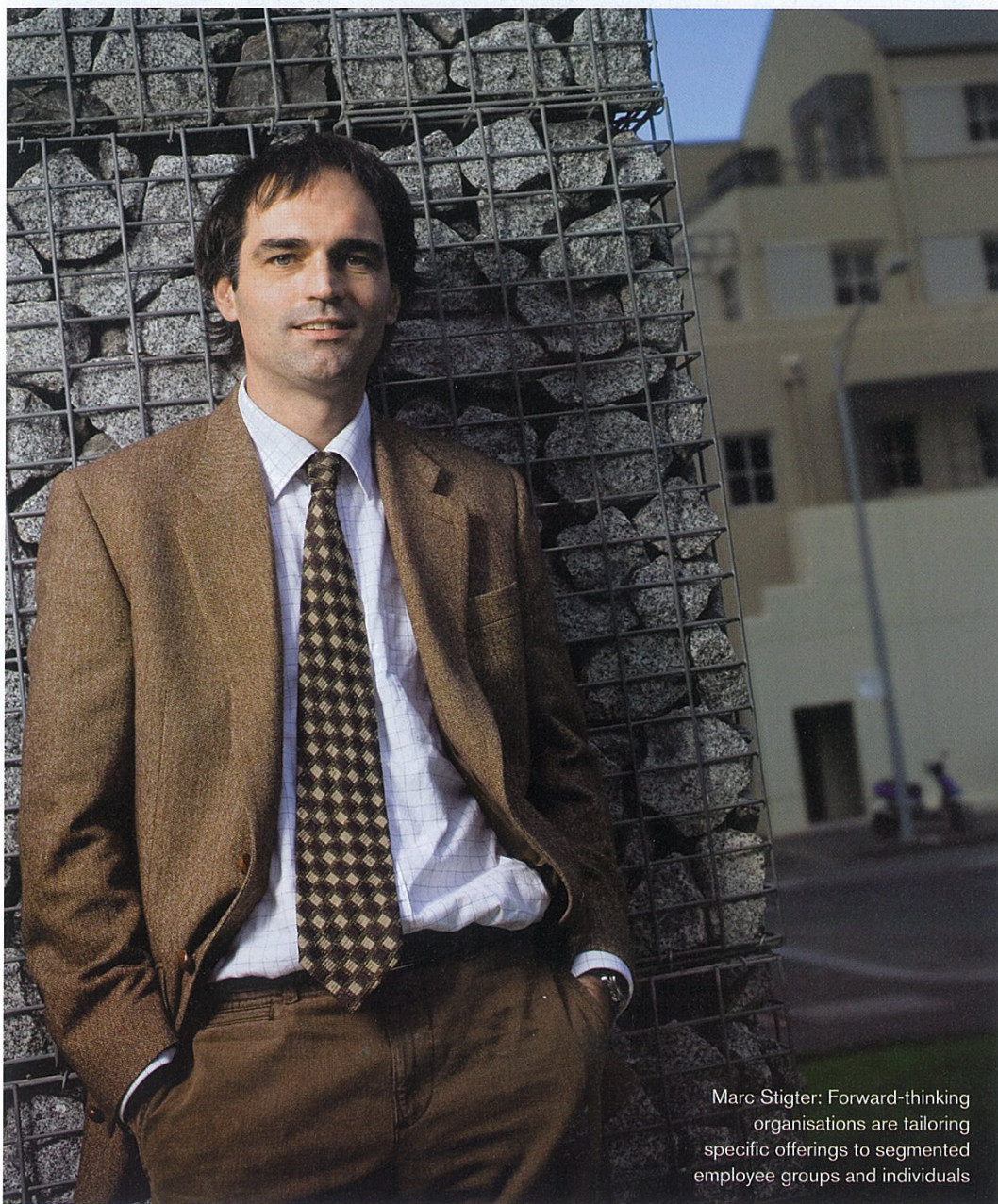


# LEADERSHIP

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## Different to the core

In competing for talent, organisations may need strategies that embrace individual as well as group values. By **Marc Stigter**



PAUL JONES

Marc Stigter: Forward-thinking organisations are tailoring specific offerings to segmented employee groups and individuals

**T**HE CONCEPT OF employer branding is becoming more popular in today's "war for talent". Employer branding is frequently positioned as the solution to attract and retain talented staff and it is often perceived to increase employee engagement. Combine the war for talent with a Gallup study indicating that fewer than 30 per cent of employees are actively engaged in their jobs and it is not surprising that organisations are turning to employer branding.

In practice, however, many organisations find the concept limiting. By understanding the reasons why, any limitations can be overcome.

The concept of employer branding comes from the established consumer branding discipline. Similarly, employer branding focuses on establishing a core value proposition by identifying needs and articulating benefits that differentiate an organisation from competitors. It is argued that the core employee value proposition (EVP) is the essence of the employer brand. Many organisations are taking up the concept of employer branding and understand the necessity of being able to offer a core value proposition to their employees. But many limit their employer branding exercise to developing one core EVP at the organisational level only. A fundamental pitfall lies here because developing such an EVP is not easy.

Imagine the complexity of having to identify and articulate employees' experiences around culture, leadership, values, reputation, corporate social responsibility, working environment,

management, employee appraisal, reward, recognition, learning and development – and then package all of these into functional, economic and psychological benefits within a meaningful and core EVP.

Just as different product and service offerings exist within most consumer brand portfolios, organisations should offer a range of EVPs to tailor specific offerings to segmented employee groups.

Research by the Critical Management Group substantiates the need to offer EVPs not only at organisational level but also within segmented groups and more often at individual employee levels. CMG's research indicates that while a strong employer brand with an EVP at organisational level can increase employee attraction and retention, it does not necessarily deal with employee needs at the group or individual level and therefore does not automatically increase

**Satisfied employees do not necessarily perform to the best of their abilities. Attracting and retaining "engaged" employees could be the name of the new game**

employees' engagement with their work and jobs.

In addition to offering one core EVP, some organisations take the concept a step further by offering EVPs to targeted employee groups. St George Bank, for example, has introduced a 12-month grandparental leave program, a Volunteer for Teams program, which offers groups of employees leave for community or charitable volunteering, a Greener Dragon program offering staff interest-free loans for environmentally friendly products, and a Family Benefits program.

These programs indicate that organisations can offer segmented EVPs based on generational differences, but equally can offer EVPs across generations to groups of employees who may share similar interests or value similar offerings from their employment.

As a consequence of the war for talent, some forward-thinking organisations are also negotiating specific EVPs at an idiosyncratic or

individual employee level. CMG anticipates that organisations will have to understand deeply the individual needs of their workforce and will be expected more often to offer customised EVPs.

The market power of certain employees or the value their organisation places on them can be so significant that these employees find themselves in the driver's seat and able to negotiate individual EVPs rather than merely accepting an organisational or targeted group EVP. These individually negotiated and customised EVPs will differ from the general employment conditions experienced by other employees in the organisation.

Market conditions will justify offering these employees greater or different perquisites from those offered to their co-workers. Many larger organisations have not yet come to terms with the phenomenon of idiosyncratic EVPs and naively depend on their core employer-brand equity and organisational EVP.

Employer branding has been described as shaping a positive brand experience that increases employee attraction, retention and satisfaction. Without a doubt, it can be the first step towards attracting and retaining more satisfied employees. But is it actually beneficial to have "satisfied" employees? Satisfied employees do not necessarily perform to the best of their abilities.

Attracting and retaining "engaged" employees could be the name of the new game – especially when some "experts" argue that engaged employees feel a strong emotional bond with, and care about the future of, the organisation and will invest discretionary effort.

If this new game is about attracting and retaining engaged employees, is employer branding the answer? It could be, as long as organisations look at employer branding in terms of building and sustaining EVPs that are compelling and different – not just at the organisational level, but at segmented groups and idiosyncratic levels. ●

*Marc Stigter is program director for the advanced management program at Mt Eliza executive education, part of Melbourne Business School. He is also a strategy consultant.*

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