

The Global Talent Crunch: Why Employer Branding Matters Now

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Manpower's Talent Shortage Survey reveals that the global talent crunch remains a pressing and pervasive issue for employers worldwide. Despite the last global recession and a weak employment outlook, employers are nonetheless facing a scarcity of talent in critical areas. Companies are having trouble finding people who are the "perfect fit" — with the precise combination of skills and experience — for those roles. And so they are waiting until the right individual comes along. To illustrate, there are plenty of information technology (IT) professionals looking for jobs in India, Japan and Russia right now, yet employers in these very countries say they are having trouble filling IT positions. Why? Because they are not only looking for people with IT degrees, certifications and programming skills, but also for those individuals who possess the right managerial skills and business domain knowledge — and that's not so easy to find.

The persistent concern about talent scarcity demonstrates that in the very near future organizations will find it harder than ever to attract and retain talented people with key qualifications. The skill set organizations need is becoming ever more specific and refined. In the United States, for example, accounting and finance professionals may not be in short supply, but those with niche experience may be. Many organizations are having trouble finding individuals with expertise in troubled debt restructuring, forensic accounting and international accounting. And as the United States transitions to international financial reporting standards (IFRS), many organizations will struggle to find individuals with experience in applying these standards. Such specialized skill sets are becoming harder to find not only in the accounting and finance arena but within many professions. And it is true not only for the United States, but for many other countries as well, including Russia. This is why employer branding matters now: Companies must offer a clear value proposition that appeals to those individuals whose skills are critical to gaining a competitive advantage and achieving strategic goals.

The key to building the right employer brand begins with identifying the distinctive qualities of the organization that create an emotional connection between employer and employee — the qualities that make people love working there and bring them fulfillment. Such qualities motivate the workforce to help advance the company's mission. In other words, they are the distinctive qualities of the company that give its best employees "goose bumps."

One good way to identify which qualities really matter to the organization is to ask employees — and especially the best employees — about why they came to work there in the first place. What is it that they like about the organization? For example, ask a global beverage giant's employees and they will say their brand is "exciting, unique and challenging" and that their work "makes people happy and refreshes them." Employee endorsements like these can be powerful recruitment tools. And it's critically important to pay attention when highly motivated employees speak of disappointments with the company because they usually point to areas where the company may be falling short on its promises to employees and customers.

Employer brands must remain consistent, but that does not rule out the kind of segmented approach beloved by product marketers. In employer branding, the "product" is the experience of working for that employer, and the "markets" are current and future employees across a range of skill sets and demographic segments. The organization may want to tailor its messaging to drive engagement within each segment, but the messages should always remain consistent with and support the overall employer brand.

As every product marketer knows, there is more to a strong brand than slogans and symbols. Consumer brands have to accurately capture the reality of a product or a service experience. The same is true of an employer brand. It has to reflect the reality of what it means to work there. And the more often employees are reminded that the company is serious about its value proposition to them, the more powerful the brand will be.

Thus, each touch-point between employer and employee, from recruiting to separation, presents an opportunity to reinforce the employer brand's centrality to the organization. Leadership and management communications, reward and recognition events, career development opportunities, corporate social responsibility initiatives and even routine HR processes and communications — all should reinforce the employer brand and drive employee engagement. Notably, research from Gallup shows that engagement decreases sharply after the first six months as employees begin to sense that their experience at the company is not what was promised.

It is also vital to remember that an employer's brand extends beyond the permanent staff. Skilled temporary and outsourced employees, as well as consultants and contractors, comprise a large and vital part of nearly every company's talent pipeline. Indeed, contingent employees now represent nearly 20 percent of the global workforce, including a large proportion of the most highly skilled and highly sought people in many key skill groups. And it turns out that the host organizations for contingent employees play a far greater role in their motivation and productivity than those employers realize. Most human resources executives say they view the engagement of contingent staff as the sole responsibility of their vendors, but contingent employees say their primary emotional engagement is with the host organization. Often, employers set rules that can act as barriers to contingent workers' emotional engagement — by denying them use of a company fitness facility, for example —

without considering the importance of contingent workforce engagement to the overall workforce strategy.

Employer branding must be everyone's responsibility, starting with the organization's leadership. From the C-suite to frontline managers, leaders must live the brand in both words and actions. The job of attracting, developing and retaining talent is too important to the organization's future to be soloed in any one department. The C-suite has to make it clear that talent management is a top priority and a responsibility that must be shared by everyone. Led by the chief human resources officer and assisted by marketing and communications, an integrated approach should be applied to establish and sustain the employer brand.

What specifically should organizations think about as they go about building and enhancing their employer brands? Here are the most relevant issues on which to focus:

Does your organization have a concrete, common understanding of its vision, mission and strategic goal, along with an understanding of the vital talent that will be required to fulfill those goals? It is impossible to devise effective talent strategies without understanding where the company wants to go and the talent it will need to get there.

Do you have a clear understanding of what makes the organization's culture and work style unique? Can you predict what types of people/personalities are most likely to thrive in your company? Is its work style collaborative, for example? If so, then it won't be a good fit for a person who prefers to work independently.

Is there a plan in place along with adequate infrastructure to assess and create the optimal work experience for all employees? Do you have systems in place — an employee survey, for example — to track employee engagement? And do those systems include contingent workers as well as permanent staff?

Do you understand the true drivers of engagement among the different populations that make up your workforce? Those drivers can vary greatly from group to group. Aging baby boomers, for instance, may want to extend their working life under more flexible conditions. Likewise, women in the workforce, who represent a vast store of important skill sets, have different needs than their male counterparts. Younger workers (variously referred to as "Millennials" or the "Net Generation") are often attracted by more contemporary work arrangements and often insist upon employer commitment to matters of corporate social responsibility. The ways in which companies address these and other concerns are an integral part of their identities and brands.

At a time of constrained resources, it may seem counterintuitive to invest energy and capital in devising talent strategies — and especially in strengthening the employer brand. On the contrary, the need for effective employer branding has never been greater. This is especially true for companies that may have bruised their employer brands during the downturn; it is still possible to reverse course, though time is running out. By focusing now on building their employer brands and enhancing their appeal to talented workers with scarce and vital skills, organizations can position themselves to win a lasting competitive advantage in the talent marketplace.

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