

APRIL 2023

EMPLOYER BRAND INSIGHTS

A 12-page white paper covering the current themes within the employer brand world, providing a range of insights and statistics to help HR and Talent Acquisition professionals understand the needs of the talent pool to build future attraction strategies.

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About Cogito

Unrivalled Fact-Based Insights Which Shape People Strategies



We're on a mission to be a Global industry-leading talent solution, providing expert knowledge with unrivalled research. Our dedication is the pride in our results and the repeat business we gain.

Cogito's Employer Brand Insights White Paper is designed to provide statistics on current issues within the world of Employer Branding and Recruitment Marketing.

This white paper identifies various trends supporting employers and candidates as they look forward to future recruitment, including quantitative and qualitative data collected up to March 31st 2023 from our projects.

For more information regarding any of our research, or if you are interested in discussing any challenges you may be facing please [get in touch to speak to one of our experts.](#)

Executive Summary

Last quarter, we discussed the recruitment market's competitive nature, which has only continued. Understanding candidates' needs is essential for employers, as employee attraction and retention becomes more challenging than ever. This white paper identifies the main priorities of the labour market at this time, and determines what employers should focus on to improve their proposition and make their organisation appealing to candidates.

Cogito produce a wide range of employer brand research. Our recent work has revealed three key concepts:

1. The UK has transitioned to the **"people first" era of recruitment** - where it is now becoming more important than ever to prioritise the needs of the talent pool.

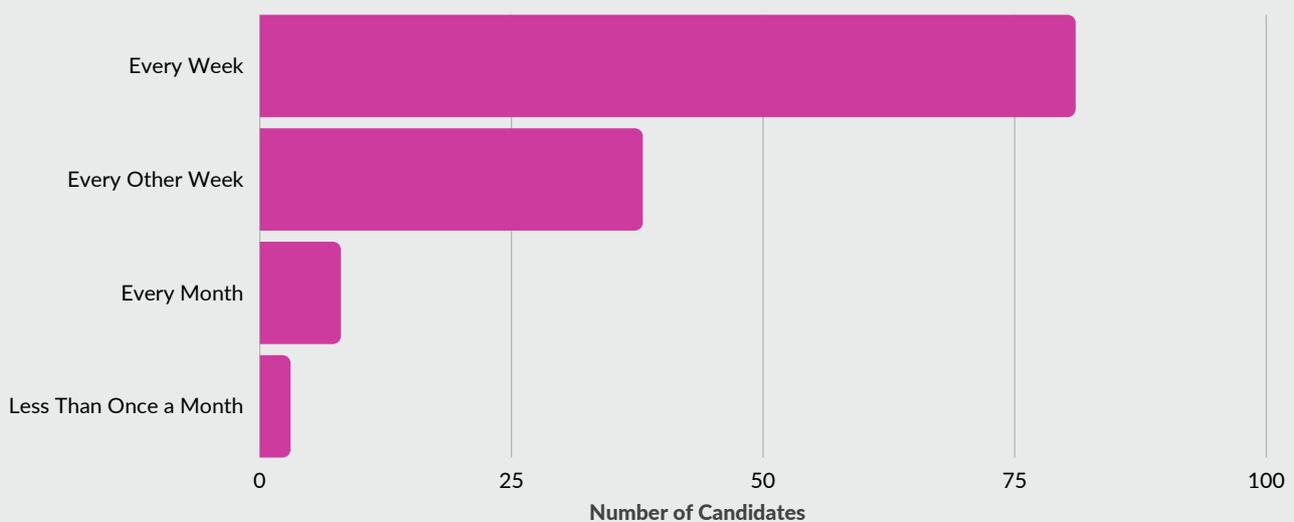
2. Review sites are becoming a foundation of the candidate job-seeking process. **Employee advocacy** is a growing practice that is valuable in improving organisational attraction and retention.

3. A "people first" approach is not a transactional process and requires nurturing, mainly because **priorities evolve for candidates in the recruitment market.**

"People First" Era of Recruitment

Our recent blogs have highlighted the importance of [establishing a strong Employer Value Proposition \(EVP\)](#), specifically, providing support on [what steps should be considered when establishing an EVP](#), as well as the [common mistakes that are made when building an EVP](#).

One thing that can be taken from these blogs is that a strong EVP has become invaluable in ensuring employee attraction and retention. Considering the costs, time and effort usually associated with building (or rebuilding) an EVP, this process can sometimes be met with a lack of enthusiasm or doubt. What often isn't thought about enough is how many potential employers candidates can encounter in a given time. Over the past quarter, **we asked 131 candidates how often they were approached regarding a new role:**



We know that the recruitment market continues to be candidate-driven, with vacancies still at a near-historic high, despite declining over the last quarter. As shown above, candidates are frequently approached regarding new roles, with **81 out of 131 of the candidates we surveyed (62%) receiving a different approach at least once a week.**

This only begins to demonstrate the range of propositions that candidates receive and, to put simply, illustrates how candidates have more choice than ever when considering employers. Employers can only post job ads if they consider the talent pool - the messaging and communications need to resonate with the desired talent pool to remain competitive in a challenging recruitment market.

The previous graph not only shows the vast range of approaches that candidates receive but marks a notable **shift in the balance of power in recruitment processes from the employer to the candidate.**

Interviews are increasingly becoming a two-way conversation, with candidates taking more time to assess the competence of a business in meeting their professional needs. They often feel empowered to directly ask hiring managers within these organisations about the processes to ensure they get what they need.

This is where the importance of an EVP comes into the conversation. Employers with a strong EVP can demonstrate tangible values of what employees can expect when working for them. Candidates can then consider if this aligns with their professional needs and values. If it does, candidates are generally more engaged during the recruitment process and are less likely to withdraw.

This not only makes for a smoother recruitment process but also facilitates a stronger loyalty being established to a business, making them more likely to be so bought into a business that they encourage others to join also - this a growing practice known as **employee advocacy.**

69%

of companies with a strong EVP can reduce employee turnover by over two-thirds.

(Kin&Co, 2021)

85%

of professionals say that an organisation's purpose is important when considering a new role.

(McKinsey, 2022)

65%

reported that they have actually discontinued a hiring process due to a unattractive EVP.

(Kin&Co, 2021)

59%

of employee turnover is reduced in organisations where candidates feel engaged.

(OfficeVibe, 2023)

the #1

obstacle in an application process comes from not knowing what it is like to work for an organisation.

(LinkedIn, 2021)

Employee Advocacy is Key

It has become evident that people feel comfortable talking about their work. But does this influence someone's decision to work for a company? We carried out research asking candidates to consider **how they tend to form their perceptions of employers:**



Candidates conduct their own online research during their job-seeking process, utilising **review sites**. This process is where most perceptions of an employer are formed.

Working for a competitor or speaking to a person who works for the business are also prominent ways to make perceptions. These represent more first-hand accounts of employers. However, it becomes a matter of opportunity, as you may not work for a competitor or know anyone who works for a business. This, therefore, puts more emphasis on the importance of review sites.

Employers need to ensure a positive candidate experience, as the application process is an influential factor in shaping candidate perceptions of an employer.

All of these responses show that candidates are more informed than ever when applying for a role. Researching a company at surface level is a common practice, but candidates now take more steps than this.

Employee advocacy is the promotion of a company through the endorsement of its employees. It involves encouraging employees to share positive messages about their employer and its products or services on social media, personal networks, and other professional settings. As you can imagine, an employee advocacy programme within an organisation has its benefits. It builds trust and credibility with potential applicants; people are more likely to trust a company if they hear positive things from someone who has worked within the business before. A challenge for many businesses is improving the reach and engagement of their marketing efforts. Employees usually have different networks to corporate and, therefore, can amplify the reach of their employer's content and messages.

Allowing employees to share their thoughts and experiences about their employer helps build a connection to the company and its values. This can lead to increased job satisfaction and loyalty, reducing turnover and improving productivity.

Overall, employee advocacy is essential for building a strong brand and engaging customers and employees. By empowering employees to share their positive experiences and messages, companies can create a more authentic and trustworthy brand and EVP. But astonishingly, **only 17% of businesses have a formal, comprehensive employee advocacy programme.**

Glassdoor is widely recognised as the UK's number one review site, serving as a highly-accessible platform for employers to assess specific aspects within their current or potential employer.

Negative reviews are damaging to employers, causing a decrease in morale and challenges in hiring high-quality candidates, which can seriously harm the financial success of a business.

Glassdoor has

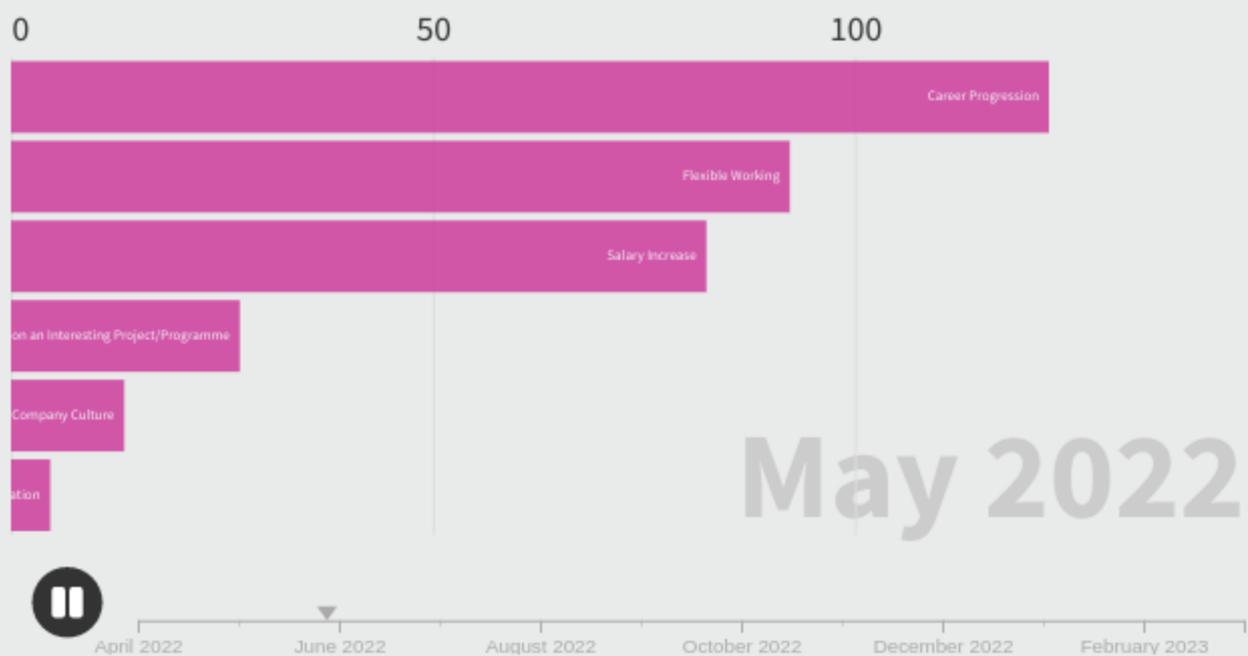
57 million

unique users each month. As many as 71% of these people say they use Glassdoor as part of their job seeking process, making it the number one reason users visit Glassdoor.

(Glassdoor, 2022)

Evolving Priorities of the Talent Pool

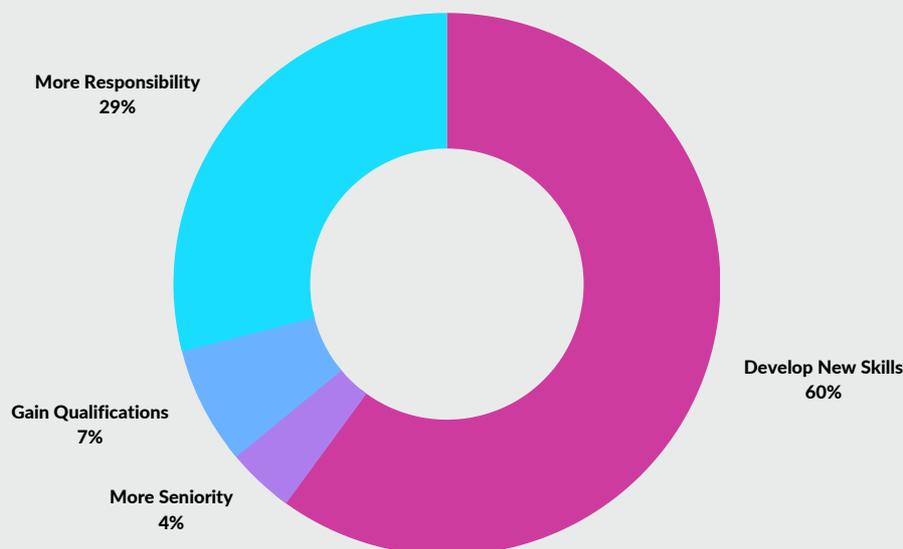
We've established that candidates have more choices than ever when choosing employers and feel empowered to talk about their employers. With this in mind, it has become essential for employers to consider candidates' priorities when applying for a new role. This process will help employers position their proposition to highlight the benefits of working for the company and establish an EVP that candidates can buy into. Understanding what is most important to candidates can be challenging, and this is where processes such as external audience research and focus groups can be particularly effective. Over the last 12 months (April 2022 - March 2023), **we have asked candidates what is most important to them in their next role:**



It's reasonable to assume, if someone was considering changing roles, that a **salary increase** is a primary motivation behind this, particularly in this period of financial uncertainty. However, our research shows that **career progression** has been the most important factor for candidates over the past 12 months. A salary increase was the second most important factor, but interestingly, it fluctuated throughout the year. For example, this was more important for candidates during the final months of 2022. But during mid-2022, **flexible working** was notably more important for candidates. However, it could be argued that demand for this has reduced due to flexible working arrangements becoming more commonplace.

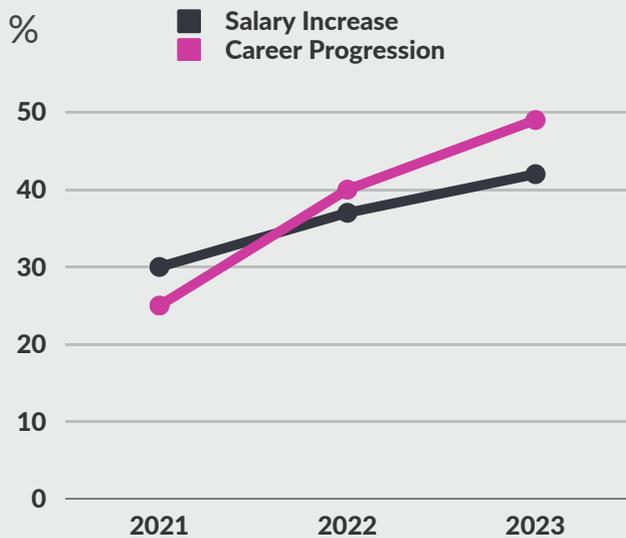
Career progression is now the main priority for many people when seeking a new role, and while other factors have varied in importance over the past year, career progression stood the test of time. This demonstrates the need for employers to ensure that there are processes to ensure employees feel they are progressing. Just as importantly, they should be making employees and potential applicants aware of career progression opportunities that are available to them. This is where people profiles on career sites and other external communications are particularly effective.

The term 'career progression' could be ambiguous to employers, as candidates' definitions of career progression can vary. For those who indicated that career progression was most important to them, we probed further to understand what aspect of career progression it was that they were looking for:



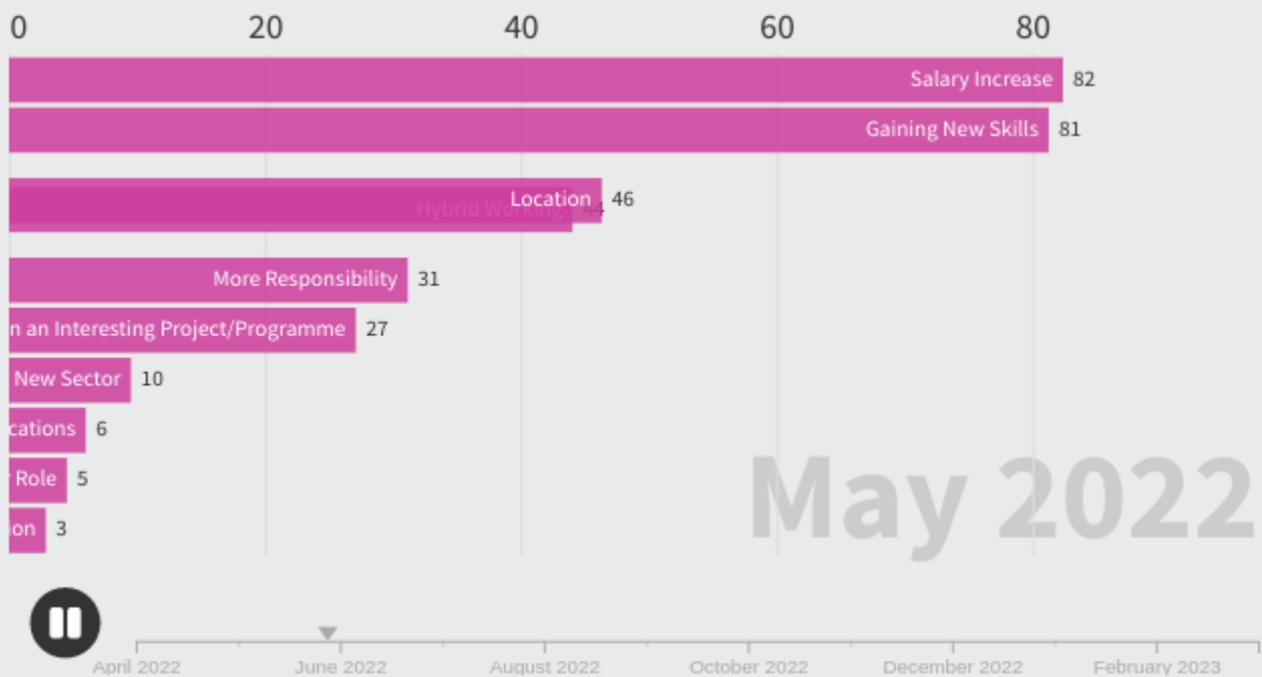
Generally speaking, when candidates say they are seeking career progression, our research shows they want to **develop new skills**. Firms now must regularly review their employees' responsibilities to ensure that they remain challenged in their role and speak with employees to understand if there are any specific skills they can help them develop further. **More responsibility** was also found to be a priority for many, which highlights the importance for employers to create an environment of transparency, where employees can recognise the steps they need to take to gain more responsibility. This stands true for candidates who are also looking for **more seniority**. For 7% of respondents, **gaining qualifications** was a priority - this can sometimes be more challenging for employees. However, learning how much of a priority this is for candidates will identify if this is a business need. If you are in a position where you can offer qualifications, then you should - it is an excellent way of developing employees and demonstrates your commitment to them and their professional development.

But even in this period of financial uncertainty in the UK, can career progression really be seen as more important to candidates than a salary increase?



The answer is yes, but this hasn't always been the case. From 2022, career progression overtook a salary increase and became more of a priority for candidates. This has become increasingly so as we moved through 2022 and again in 2023 where now almost half (49%) of candidates say they are seeking career progression in their next role.

We established that career progression has different meanings to candidates, so how do these factors compare to salary increase?



When we look at each factor, gaining new skills is considered more important than a salary increase. However, these factors often go hand in hand. A salary increase is a priority for candidates. Still, they recognise that career progression is the most viable route towards this, making that a priority in their job-seeking process.

So, What Now?

What is clear is that candidates have more power than ever in the recruitment process, which is good! While this new recruitment phase can be seen as daunting, it also allows employers to communicate their brand and values to candidates in a way that will form stronger loyalty than ever before.

Below are the four key steps which will ensure that your organisation is well-equipped to succeed as we move into the "people first" stage of recruitment:

- 1.** **Invest in your employer brand and EVP.** Employers must communicate their values in a market where candidates have more choices than ever. This process will help filter those closer to the company's values, making them more likely to buy into the business goals.
- 2.** **Create a culture of employee advocacy, preferably in the form of an official employee advocacy programme.** Candidates should be empowered to share their experiences at work and give first-hand accounts of what it is like to work at the business.
- 3.** **Take the time to recognise the needs of those you wish to attract.** Our research shows that as circumstances change, so can candidates' priorities. Focus groups and external audience research are great tools for getting a sense check of the candidate market and reducing employee turnover, making it a cost-effective process.
- 4.** **Maintain flexibility with how you sell your business as a workplace.** In what remains a candidate-driven market, it is essential for businesses to regularly evaluate their processes in attracting candidates and consider what more (or at times less) they can be doing.



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