

Employee Referral Programmes



Empower your employees
to become ambassadors



*The new generation
of candidates:
Well connected
and social.*

Employee Referral Programmes

Companies are being confronted with a new generation of well-connected candidates, particularly young people who are very active on social media. These new candidates are looking for more than just a job, they want to work for a company with similar values to theirs and offering opportunities for personal development. Candidate's expectations are high and before applying for a job, candidates run extensive search about potential employers.

How can you convince these discerning applicants to join your company? By using the most valuable members of your employer-brand and recruitment teams: your own staff! Why? Because employees are able to build trust in your company with other people more quickly - making them ideal ambassadors for your employer brand. Our e-Book explains why employee referrals are the ultimate secret weapon for your employer brand, efficient recruitment and quality of hire.



**Good people know
other good people.**

Empower your employees to be headhunters

Demographic changes and skill shortages continue to make recruiting top talent a real challenge. HR managers admit to having difficulties filling 23 percent of vacancies, what's more concerning is some of these vacancies stay open and cannot be filled. At the same time about 26 percent of all external vacancies are filled through employee referrals – making them the number one source of recruitment.¹

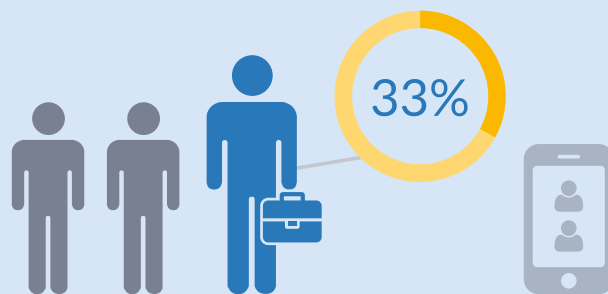
So why not make use of your employees to promote your corporate culture and attract new talent?

Good People Know Other Good People

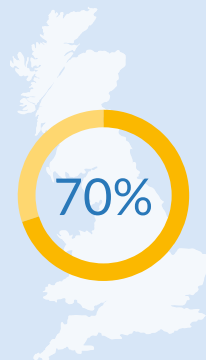
The American psychologist Stanley Milgram's 1967 ['Small World'] experiment showed that people are separated from everyone else on average by six people. More recent research has confirmed this figure. The ever increasing use of social networks makes this aspect even more significant.

Source

¹UKCES Employer Skills Survey



1/3 of all European employees aged between 16 and 29 find their jobs through personal contacts.



of all executive positions are filled through networking and personal contacts.

Incentives: It doesn't always have to be cash...

- Vouchers for popular restaurants
- Weekend trips
- Gadgets
- Additional holiday
- Anything that interests your employees
- Last, but not least: benefit from the competitive challenge effect

What is...?

- **Human capital:** The skills and experience that an employee brings.
- **Social capital:** The connections and contacts that an employee can draw on.

A woman with brown hair, wearing a light blue t-shirt and a bright green apron, is smiling and looking down at a tablet computer she is holding with both hands. She is standing in a busy market or grocery store. In the background, other people are visible, including a woman in a green jacket who is also smiling. There are various fruits and vegetables on display, and the scene is brightly lit with warm, bokeh-style background lights. A large, semi-transparent white number '2' is overlaid on the left side of the image, partially obscuring the woman's arm and the background.

*Your employees are
your best ambassadors.*

In-House 'Headhunters'

Companies can make use of their employees' rapidly growing networks, their **social capital**. In addition to traditional job adverts, active sourcing and social media recruitment, employee referral programmes are also a modern and engaging way of recruiting. This entails Employee A recommending Person B, for which, in the event of a successful new hire, he or she receives a finder's fee or other reward.

In many organisations, this very effective alternative has yet to be tested, the network effect is underestimated and its potential untapped. But pioneers such as Deloitte and Coca Cola have shown that it is possible: In 2014 these companies were able to fill half of their vacancies with experienced candidates through employee referrals - also saving a considerable amount of time and money.

Why Employee Referrals?

Your employees are your best ambassadors because they can talk authentically and in detail about the organisation, and know what is required for success.

Good Recruitment Rates

Employee referrals are one of the most reliable sources of recruitment, accounting for 26% of all new hires.

Better Quality of Hire

Employees making referrals are able to accurately assess the skills, abilities and qualifications of the people they recommend. This means the new employees are often better and/or more suitable.

Cost Effective Solution

Traditional recruitment costs you around £30K. Referrals cost less than £1K.

Lower Staff Turnover

Because referred candidates join the company with realistic expectations, fewer then leave - the staff retention rate after two years is on average 45%.

Candidate Pre-Selection

In sharing your job postings, an employee makes an important pre-selection of candidates before passing on any applications. After all, an inappropriate recommendation could have a negative impact on the person making the referral.

Shorter Time to Hire

Trust in the person making the referral increases the probability of a candidate accepting a job offer and quickly finding their feet in the organisation. Whilst the time to hire via job boards is 39-45 days, it is only 29 days for employee referrals.

Greater Coverage Through Social Media

Reach more potential candidates through the multiplier effect.

A photograph of three people in an office environment. On the left, a woman with large, curly brown hair is smiling and looking down at a tablet. In the center, a man with a beard and dark hair is also smiling, holding a white mug in his right hand and pointing at the tablet with his left. On the right, a woman with brown hair and a blue patterned scarf is smiling and looking at the tablet. They are all dressed in business casual attire. The background shows office shelves with books and a desk lamp. A large, semi-transparent grey circle is overlaid on the left side of the image, partially obscuring the woman with curly hair.

*Happy employees
will recommend
their employers.*

At the heart of successful referral programmes: employee satisfaction

If employees are happy in their jobs, they naturally talk about the company in a positive way with friends and acquaintances - this often leads to proactive referrals.

But how can you make sure employees are really happy in their jobs? Loyalty is built mainly through fulfilment. In order to convey genuine enthusiasm for their employer with potential candidates, a job does not only have to be enjoyable and well-paid; it also needs to offer fulfilment and add purpose to the employee's life.

More on this topic:

- 👉 [5 Golden rules to reduce Time to Hire](#)
- 👉 [Making your Employees recruitment ambassadors](#)
- 👉 [Employee engagement: what not to do](#)
- 👉 [Don't let your best employees walk out the door](#)
- 👉 [Because I'm Happy - Success requires satisfied employees](#)

How to Improve Employee Satisfaction – 6 Tips

Work-Life Balance

Flexible working hours, home office, holidays, ... people who have the feeling of being able to balance work and leisure time effectively enjoy their jobs more.

Appreciation

Employees feel immediately appreciated when they are actively involved in the recruitment process, and have a direct influence on who joins the team. Employee referral programmes with attractive rewards are also generally a very good way of showing it.

Challenges

Monotonous and repetitive work can be frustrating: make sure that your employees enjoy regular new challenges - for example, through small projects or annual objectives.

Expressing Needs and Opinions

Make room for creative ideas, criticism and


proposed solutions. People who are able to express their needs and make suggestions, ideally in front of a receptive audience, will automatically feel good about it and valued.

Regular Feedback

Satisfied employees enjoy regular feedback. It gives them confidence in their own abilities and helps personal development. Feedback helps them to better understand how their jobs fit into the team and organisation as a whole.

Short- and Long-Term Goals

Satisfied employees enjoy a healthy mixture of short- and long-term goals. In reality, it's the short-term goals that reflect what's actually happening in the workplace - and they help your employees to set their own priorities. If short-term goals help to achieve long-term strategy, your employees will feel valued rather than stressed - and communicate this externally.



*A strong employer
brand is honest.*

Benefit from a strong employer brand

The employer brand is now an essential part of communication with candidates - and is a significant factor in attracting new talent. The image that every company creates, whether intentionally or not, has become a key assessment criteria. An increasing number of companies are therefore using social media to actively promote their employer brand, corporate culture and history.

Successful employer branding is where employees talk about their employer with so much genuine enthusiasm that the listener wants to join the team immediately. This can also be a decisive factor in your employee referral programme. If your employees also share elements of your employer brand, by being brand ambassadors, this will be more effective in the long run than sporadic job postings.

More on this topic:

- ➡ [How authentic should an employer brand be?](#)
- ➡ [Employer Branding – For small and medium sized companies too?](#)
- ➡ [How mobile recruitment strengthens your employer brand](#)
- ➡ [Employer branding is teamwork: 5 tips for successful cooperation with marketing](#)

A strong employer brand is...

- honest
- credible
- relevant
- distinctive
- aspirational



*Satisfied employees
talk about
their employer.*

Social Media - For Brand Ambassadors and Recruiters

Satisfied employees talk about their employer - in social media as well. If they then share job adverts and other posts, these have more credibility. This increases the level of social media activity by 8: employee's posts are shared up to 24 times more frequently than when they are only available on company pages and profiles. The amount of additional coverage should not be underestimated because, in most cases, 92% of your employee's contacts will not be familiar with your brand.

Allowing your employees to use social networks such as LinkedIn, Facebook and Twitter at work will encourage them to make employee referrals and recommendations by sharing job postings and other content, which ideally you should make easily available to them.

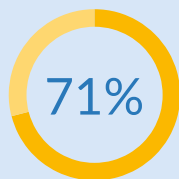
In the case of job referrals, quick feedback with employees AND candidates is an absolute must. So make sure you keep both employees making referrals and applicants updated about the status of the selection process. If a referral is successful, don't wait too long before handing out the reward - this not only increases motivation to make further referrals, but also shows trust and appreciation. You can also use a rewards programme for successfully shared employer brand messages.

Did you know? In addition to your own employees, former employees, interns, good customers and partners can also be included in a referral programme.

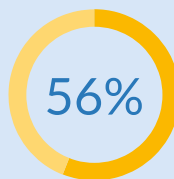
Your Candidates in the Social Web

Applicants use **15 different sources** in their job searches.

Orientation: to check out the market, candidates

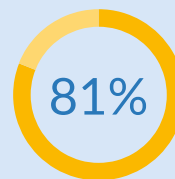


search via Google

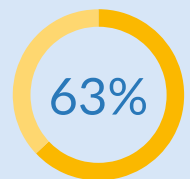


use job boards

Consideration: to research potential companies, candidates



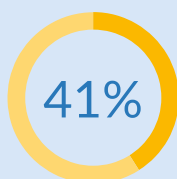
refer to career web pages



use social media

Source: CareerBuilder Candidate Behaviour Survey 2015

Network Reach



Over 41% of LinkedIn users have more than **500** contacts.

500 employees x 500 contacts =
250,000 (social reach)



Half of all Facebook users over 18 have more than **200** contacts.

500 employees x 200 contacts =
100,000 (social reach)



*It is essential to
have an authentic
presence in social
networks.*

Employee Referrals - Useful Tools

1. Your Career Website

Company career pages are one of the first - and most popular - points of call for applicants. They therefore play a key role in the recruitment process. Because the first impression that candidates have of your company, employer brand and corporate culture can be a crucial factor in whether they decide to apply or not. An attractive career website and correct marketing of your employer brand will give you a significant competitive advantage, particularly where well-qualified candidates have a choice of several vacancies.

2. Profiles in Social Networks

It is now essential for any large company to have an authentic presence in social networks, since this is where potential applicants are to be found. Social media channels such as LinkedIn, Twitter and Facebook can be worth their weight in gold for networking with potential candidates - and for promoting your own employer brand. This is a way of reaching potential candidates who are not actively looking for a new challenge.

3. Sharing Job Postings and Interesting Content

Forward new employer branding articles and current vacancies to your employees and ask them to share the contents in their own networks. Child's play if you use a special tool that provides your employees with automatic feeds of all new postings:

- **Network sourcing**

This type of referral involves employees giving their employer access to their contacts, which the employer then uses to search for suitable candidates.

- **Personal recommendations for relevant content and appropriate jobs**

In this case, employees only forward employer brand messages and/or job postings to their contacts, with a personal message, once they have checked them for relevance and suitability.

- **Crowd sourcing**

This referral programme covers not only your own employees, but also uses people well-known to the company as referrers via social media, for example temps, service providers, former employees and good customers.

Measuring Success

Reports and analytics can help you find out which channels perform particularly well; or on which working day and at what time your posts are most frequently shared. Use this information to optimise your employee referral programme and to find even more suitable candidates.

Social Referral: Making Employees Ambassadors and Headhunters

Are your employees fully engaged? Make use of this 'brand ambassador' potential! Social Referral makes sharing things in social networks child's play - both for you and your employees:



All in One

One place for employees to start sharing and engaged candidates to start exploring – fully branded.



Traceable links with every share

Pull in-depth analytics and instantly see which employees are your best ambassadors.



Fully Mobile

Ease of use for your employees with responsive design and smartphone apps for iOS and Android.



Systematically Reward - Instantly

An integrated reward system guarantees immediate benefits for employees for each successful referral.



Facebook and WhatsApp

Also available in Facebook Messenger and WhatsApp as a channel – and many more share options.



Amazon Vouchers

Easily reward with the “classic” incentive through the integrated Amazon Voucher Programme

Register for a free demo now.

Want to know more about Social Referral - the professional employee referral programme?

[Request a demo](#)