HOW A STRONG BRAND CAN CREATE LOYAL STAFF

Increasingly, people want to work for companies with brands they connect with

Staff recruitment and retention costs UK businesses around £73 billion a year. No surprise then that it is one of the most important issues in the workplace.

Recruiting staff is an expensive business. The Society for Human Resource Management estimates that it costs a business on average six-to-nine months' salary to replace a salaried employee. Replacing a manager earning £40,000 a year costs between £20,000 and £30,000 (the figures for SMEs are lower but still significant, running at around £12,000 to replace an "average" employee).

Staff turnover directly affects the bottom line, which is why it has become a hot topic with almost two thirds of the UK's employers citing it as one of their most important operational considerations.

Put bluntly, companies with low staff turnover are far more likely to be successful and profitable than those with high turnover. So, a simple way to increase profitability is to hire the right people in the first place and make sure they stay with you for a long time.

High staff turnover is not only financially costly but can also have a negative effect on your customers' perception of your brand – reducing both their satisfaction and loyalty.

Effective business is relationship-driven

Lush - a successful brand partly because of its staff

Lush

NORTH YORKSHIRE BRANDING EXPERT FENELLA MCCARTHY LOOKS AT HOW YOUR BRAND CAN HELP YOU ATTRACT AND KEEP STAFF

> COMPANIES WITH LOW STAFF TURNOVER ARE FAR MORE LIKELY TO BE SUCCESSFUL AND PROFITABLE

Fenella McCarthy of Housebrands

and well-established relationships work better. If your team is constantly chopping and changing, you may drive customers away, as they will become irritated at having constantly to build a rapport with new members of staff. They may even begin to wonder what your company is doing wrong to generate such high staff turnover.

Increasingly, organisations are turning to their brands as a way of getting it right. A strong brand, with a clear sense of purpose, will help you attract the right staff in the first place and engender a spirit of loyalty and commitment in your people.

A recent HR study on recruitment recommended that when hiring new staff, managers should focus on the organisation's culture and purpose – its values, ethos and raison d'être – rather than the technical aspects of the role. After all, it is well documented that it is the emotional pull of a brand that is most persuasive and by focusing on the brand's softer, more emotive features, employers are far more likely to strike a chord with their potential recruits.

Communicating clearly with your candidates about "what makes your brand unique" will ensure that you attract staff who have a deeper bond and better cultural fit.

With the advent of millennials in the workplace, cultural fit has never been more important. Sometimes written off simply as serial job-hoppers, in truth millennials are often value-driven and particularly sensitive to corporate culture. The number one reason for a millennial to quit their job is "not liking their company culture". If the organisation has a brand definition (vision, mission, values, proposition, personality and reasons-to-believe) that reflects their own, they are far more likely to stay for the long haul.

A strong brand also helps increase productivity – people work harder for an organisation that they believe in and where they feel valued. For example, Waterstones' policy of employing book-loving staff is highly effective. Its knowledgeable retail staff embody the Waterstones' brand values which translates into sales. Despite the tough times for bookshops, customers return to Waterstones because they feel a connection with the brand.

Another retailer bucking the high street trend is Lush. It has a strong, value-led brand which is reflected in its sales staff, who have a reputation for being highly approachable, friendly and helpful. It's no coincidence that Lush is out-performing many of its rivals. The company understands that its staff are the brand in its customers' eyes and its recruitment policy stimulates customer demand. Just try to get into your local Lush shop on a Saturday afternoon!

So, if you want to reduce your recruitment costs, make sure your brand is strong with a clear sense of purpose at its core: that you know what you are trying to achieve, how you are going to get there, and what makes you different. In other words, make sure that you have given sufficient time and importance to crafting your unique brand definition and that you use it as the blueprint for your recruitment and retention policy.

Fenella McCarthy runs local branding consultancy Housebrands. Its new innovative online programme What's Your Purpose? aims to make professional brand definition accessible to every business.

Using its tried-and-tested approach, the easy-to-follow programme guides users through a series of worksheets, enabling them to create their unique brand definition in-house at a fraction of the usual cost. Packed full of tips, examples and guidance notes, it's just like having your own personal brand consultant at your shoulder.

Find out more at: housebrandstoolkits.online