

A strong employee brand creates healthy culture

By [Dave Nemeth](#)

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Times are tough and many South African companies are starting to feel the pressure, especially in the retail sector where there has been a lot of press coverage in recent months. Many of these local companies have seen poor growth and some have even closed their doors like Stuttafords, as well as Nine West and Mango, which are dissolving their stand-alone stores and rather spreading these brands throughout the greater Edgars stores.



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Most reports have put the tough economy and political instability as the main problem but on the flip side, there are chains like Cotton On, as well as H&M, which are showing strong growth and increasing their national footprint.

It is clear that there are a lot of factors that are impacting these local companies and not all of them are related to the economy. I put a lot of the blame onto the way in which these companies are being managed and the fact that they are still adhering to outdated methodologies, as well as being too slow to test new innovations or creating great in-store experiences.

At store level, there seems to be a clear lack of staff training and staff turnaround is exceptionally high. They continue to spend millions on ad agencies, but unfortunately, if the experience and service levels are below par, consumers will flock to the competition.

Company culture

On further examination, you will find in most cases that the company culture is far from what it should be and staff are

driven by KPI's which have been dictated from the higher structures. This inhibits innovation and creates a silo driven organisation where staff that are close to the action have little say and no influence on change.

It is time for companies to start looking at these factors and take employer branding far more seriously.

Employer branding is the process of promoting a company, or an organisation, as the employer of choice to a desired target group, one which a company needs and wants to recruit and retain. The process facilitates the company's ability in attracting, recruiting and retaining ideal employees – referred to as top talent in recruitment – and helps secure the achievement of the company's business plan.

Organisational structure

To start with, company structure plays a large role in creating a great company culture and having the normal hierarchical structure will not assist. Changing this structure and looking at project groups across all levels will create a feeling of inclusion in the decision-making process as well as build a strong staff loyalty.

There has been a lot written lately about companies that follow the holacracy principal. Holacracy is a method of decentralised management and organisational governance, in which authority and decision-making are distributed throughout a holarchy of self-organising teams rather than being vested in a management hierarchy. Whilst it will be very difficult for well-established corporate companies to adopt this approach, there are many principles that will assist in creating a company that is not only loved by employees at all levels, but is also highly attractive to top talent looking to be employed.

What many organisations fail to realise, is that when a company has a strong employee brand, it infiltrates through every aspect of the business and will be noticed by the consumer, who in turn will feel a bond with the brand.

It is time for companies to start reflecting on their internal culture as well as training and empowering staff at all levels. It is also important for top structures to be employing skill sets from completely different industries with a strong focus on design centered individuals.

Every second company is talking about innovation yet they are trying to do this with their existing skill set and in many cases not even consulting to external companies.

Why is it that companies have HR directors, sales directors, marketing directors, but no creative director? Without strong creative influence, it is highly unlikely that a company will innovate. By putting together project teams from across departments and positions, many individuals will have the opportunity to show skill sets and creative thinking that would not necessarily be explored in their current roles.

It is clear that a big shake up is needed and this needs to begin with employer branding, throwing millions at external branding without strong employer branding will be worthless.

ABOUT DAVE NEMETH

A leading blue chip international company recently identified Dave as one of the top creative influencers in the country. Dave Nemeth is a qualified designer who has held a variety of senior as well as executive positions with some of the countries leading retail groups, spanning a career of twenty years. Email Dave at daven@worldonline.co.za, follow @davenemeth on Twitter and connect on Facebook.

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