



October, 2021

Your toolkit to building a winning recruitment and retention strategy: **Employee referrals are golden**

As the economy rebounds from the depths of the pandemic it has become increasingly difficult to find qualified employees. According to a recent study from the U.S. Department of Commerce, 83% of businesses say it's harder/significantly harder to hire workers than it was five years ago.¹ Part of this is due to fewer people vying for an increasing number of open positions.

As recruiters whose responsibility it is to help ADP® clients find the right people to join their company, we know this challenge is all too real. What's more, it's not likely to end any time soon. We can help small and midsized businesses develop a plan to find qualified candidates from the shrinking labor pool. Here's how.

Authors

Kiran Contractor

Director of Talent Acquisition at ADP



Aubrey Daly

Certified Diversity Recruiter at ADP



Always Designing
for People®

Maximize employee referrals

While some aspects of finding qualified candidates in today's challenging environment have changed, others remain tried and true — starting with the importance of employee referrals. Consider the following: To make a good first impression, take the time to develop a strong and compelling employer brand that includes your:

011 **88%** of companies said referrals remain the top source for high-quality talent.

Referrals get hired **55%** percent faster than other employees.

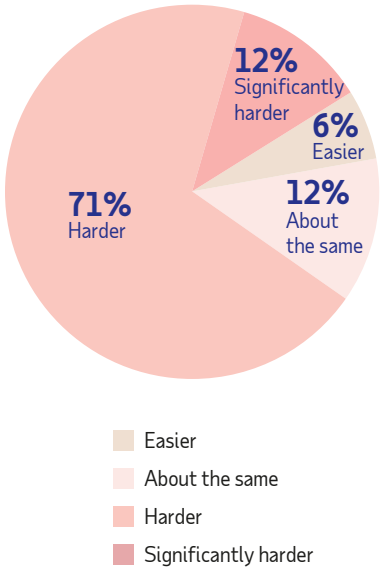
012 An employee referral program can save employers roughly **\$3,000** per hire.

82% percent of employers said employee referrals yields higher ROI than other channels.²

Rather than sitting back and waiting for referrals to come in, take a proactive approach to maximize this opportunity.

- **Get started:** Begin by developing a well-defined referral plan that includes how you'll communicate it to your employees and how they'll be compensated.
- **Work the network:** Encourage employees to post your job offerings through their network and social media outlets such as LinkedIn, Facebook and Twitter.
- **Reward your employees:** Set up a reward program for referrals that lead to interviews and hires. This may include a cash bonus, additional PTO, pre-paid debit card or other perks.
- **Step it up:** Consider increasing the amount of the award for every additional qualified referral an employee brings in.
- **Keep them coming:** You may want to give employees a special bonus on the anniversary of the referral's hire. This will help keep your program top-of-mind with employees.

Most businesses are finding it harder to hire than five years ago



Beyond the referral

Online job postings and listings on social media also remains a proven approach. To stand out from the competition, take a fresh look at your posting strategy. Be sure to include key aspects of your brand, along with your commitment to employee safety and inclusion. In terms of the posting itself, don't use vague and tired terms like "salary commensurate with experience." Rather, be as specific as possible and include the salary range you're offering, your policy on remote working, work-life balance, highlights on your benefits package and training/advancement opportunities. Don't forget to promote your open position beyond the job boards. Some tried and true ways to identify candidates include having a career page on your website and attending job fairs.

Also consider previous employees and job candidates, as they're "pre-qualified" sources of potential hires. Along the same line, you may want to offer a full-time position to a temporary worker. Finally, networking at local colleges can yield good candidates.

Think out-of-the-box

Given the competition for talent, many companies have turned to creative ways to attract candidates — many of which would not have been considered just a few years ago. For example, some are using billboards and offering cash awards or pre-paid debit cards to apply for a position. An increasing popular approach is to offer a paid trial "work-for-a-day/week." This is an excellent way for the candidate and the company to determine if the person is a good fit. Finally, remember that remote working opens the geographical area for your search.

About the authors



Kiran Contractor
Director of Talent Acquisition, ADP

Kiran is dedicated to assisting ADP's HR outsourcing clients develop their talent strategies, and ultimately attract and find talent. She has over 15 years of experience in talent acquisition and is a go-to expert on candidate engagement.



Aubrey Daly
Certified Diversity Recruiter, ADP

Aubrey has over 17 years of agency and corporate recruiting experience. As a client recruiter with ADP, she partners with ADP HR outsourcing clients on full cycle recruiting to fill roles that span entry level to C-Level in all major industries.

Broaden your reach

In addition to employee referrals, your recruitment plan should include other traditional and non-traditional ways to get the word out about your company. Remember to be specific about your needs and be transparent in terms of your timing and compensation to attract a greater pool of applicants you are missing.

Want more insights from ADP's experts?

[Listen to our latest podcast episode.](#)

1. U.S. Chamber of Commerce, The America Works Report: Quantifying the Nation's Workforce Crisis. June 1, 2021.
2. HR Tech, Best Practices in Recruiting Top Talent, August 2021.