

How to Leverage Your Best Source for New Hires: Existing Employees



In a competitive job market, companies need a strong employer brand to make it easier to recruit qualified hires. Talent practitioners who indicate a high level of stress today say it's due to employees leaving the organization. Recruiters are prioritizing employee referral and internal incentive programs to help fill the gaps in their talent networks. So, the seventh worksheet in the **Recruiting Effectiveness Planning Kit** digs into how to use employee referral programs to grow talent networks.

Improve Employee Retention with Incentives

Ever-evolving candidate expectations have led many employees to look for new jobs outside of their existing organization. And the high turnover has put stress on recruiters to fill roles in a competitive talent market. Strategic talent teams are reducing turnover by building programs that incentivize employee referrals as well as internal referrals for open positions.

45%

∴ 45% of employees surveyed shared that they're actively looking for a new job, and of those, 54% were not looking at their current companies.

It can seem overwhelming to create a new employee referral program from scratch. Use these checklists and tools to build referral incentives that help improve employee retention and grow talent networks.

Build a Competitive Incentive Program

Nobody wants to participate in an employee incentive program with bad incentives. To start building something that employees look forward to participating in, send out a survey to see what types of rewards are interesting to them. This can help brainstorm some ideas for incentives as well as gauge interest in the program from employees.

Strategic companies aren't just incentivizing employees for external referrals; some are even rewarding management for referring their employees for internal promotions. Get creative and be sure to offer compounding rewards for continued employment in the company.

Leverage this chart to brainstorm incentive ideas for a referral program.

Goal Action	Incentive/Reward	Compound Over Time	Who Benefits
Ex: Employee network referral for open position	<ul style="list-style-type: none">• Employees get entered into monthly prize drawing for every referral application.• Employees get \$100 for successful referral hire made	<ul style="list-style-type: none">• Employee gets \$500 for referral hire successfully completing 6 months of employment	<ul style="list-style-type: none">• Employees• Hiring managers• Stakeholders



Chart Out Costs and Goals

Once incentives have been decided, it's time to lay out the costs and develop goals for the program. Work with management to help increase adoption across the company and offer first-time incentives to launch. This can help educate employees about the referral program and generate interest in it.

Use this template to predict the costs of the employee referral program and tie them to future hiring goals.

Incentive	Estimated Cost(s)	Hiring Goal(s)
Ex: Employee network referral for open positions	Monthly: \$ Annual: \$	Hire at least 3 referrals during the year

Expand the Diversity of Talent Networks with Referrals

Recruiters are prioritizing DEI in all aspects of the hiring process. They're looking to improve the diversity of job slates and build an inclusive culture where employees feel they can come to work as their whole selves. With quality candidates in short supply, referrals are a no-brainer for companies looking to improve DEI as well as hire for hard-to-fill roles. Talent teams are tapping into referrals to strengthen overall employee satisfaction and meet growing candidate expectations for DEI in organizations. With the labor market predicted to continue challenging companies and favoring candidates, recruiters are focused on building an intentional company culture through employee programs.

Grow Talent Networks with Referrals

The highly competitive labor market has tapped out talent networks for recruiters. They're looking to grow candidate pools and keep job slates diverse throughout the entire hiring process. Employee referrals help keep a company's talent network diverse with a variety of candidate skills, experience, locations, and personalities.

Here are some top channels for employees to share job openings with their networks.

Social media • Email • Texting • Career site links

Finish Strong with Recruiting Effectiveness Planning

Don't give up now! Recruiting Effectiveness Planning is nearly finished. But make sure to continue leveraging our resources and materials for actionable tips and industry insights to round out your talent acquisition planning.