

January 2016

Breaking Up is Hard

The Impact of Layoffs on Employer Branding



Layoffs, like break-ups, are hard to do. No one likes to break the news, someone's usually hurt and how it's handled often affects many other relationships including, for employers, their brand.

Today, the impact of layoffs is magnified by a workforce growing more sensitive to their employer relationship. At 75 million workers, Millennials are now the largest generation in our workforce and they are driving change.

According to research, Millennials are cause-oriented and more focused on who they work for and why. They're also socially-driven and highly connected, growing up with things like Facebook, Twitter and Pinterest. This means they share...everything. For employers, an important question is *what* they're sharing. In the wake of an incident or a layoff, employers must widen their public relations focus beyond traditional media to include social media.

Social Media and an Employer's Brand

Social media gives laid-off employees a powerful platform for sharing grievances – whether founded or unfounded - and it's not limited to Facebook and Twitter. Specialty sites like Glassdoor give employees the option to rate their employers and share insider details with the world.

When considering whether or not to work for an employer, prospective employees often review what current and past employees have to say, before going on that "blind date" interview, and current employees can weigh reviews when considering a break-up of their own. Increasingly job boards also include employer reviews next to employer job postings, which have an obvious impact on an employer's ability to attract talent for key positions.

Some prominent sites:

- [Glassdoor](#) reviews former employers
- [Vault](#) ranks & reviews employers, internships & schools
- [Indeed](#) is the largest job board aggregator with company reviews

Though, most sites let employers respond to criticism and correct false accusations, often the best way to counter bad publicity is to prevent it from happening in the first place. And new solutions, like next-generation outplacement have evolved to offer a powerful preventative, helping employers protect their brand and internal and external goodwill, even in the face of a layoff.

Millennial Workforce By the Numbers

Millennials tend to be highly active online and highly focused on an employer's culture.

- 50% - their share of the US workforce by 2020¹
- 89% - use social networking sites²
- 43 – times per day they check their smartphones³
- >85% - feel business "could do 'a great deal' or 'a fair amount' to address unemployment"⁴
- 69% - say they are satisfied with their current role yet 50% would be willing to exit the company within two years⁵
- 3X – credibility of employees talking about working conditions compared to the CEO⁵

By helping separated employees move on to their next opportunity, outplacement packages can be like setting them up with their next date. And by shortening a laid-off employee's unemployment spell, employers can lower Unemployment Insurance charges by as much as \$1,500 to \$2,000 per employee.

The bottom line: for a growing generation of workers, how an employer treats employees at exit matters. In a workforce now dominated by Millennials empowered by social media, the implications are stronger than ever, both for the culture of those left behind in a layoff as well as those sizing up an employer's brand when considering a new job.

If you're interested in helping your laid-off employees return to work faster while reducing your unemployment costs, contact us at info@nextjob.com or 877-290-7888.

For more insights, visit us at <http://www.nextjob.com> or follow us on twitter [@nextjobthoughts](https://twitter.com/nextjobthoughts) or LinkedIn <https://www.linkedin.com/company/next-job>.

¹ Five Myths About Millennials in the Workplace, Fortune Magazine, April 2014 <http://fortune.com/2015/04/13/5-myths-about-millennials-in-the-workplace/>
² The Pew Internet Social Networking Fact Sheet <http://www.pewinternet.org/fact-sheets/social-networking-fact-sheet/>
³ SDL Infographic, <http://blog.sdl.com/digital-experience/infographic-social-media-drives-content-discovery-with-millennials/>
⁴ The Deloitte Millennial Survey 2014, p. 4 <http://www2.deloitte.com/all/en/pages/about-deloitte/articles/2014-millennial-survey-positive-impact.html>
⁵ Engaging the Millennial Workforce, Fox Business <http://www.foxbusiness.com/business-leaders/2014/05/21/engaging-millennial-workforce/>