7 TEMPLATES FOR
A SUCCESSFUL EMPLOYEE
REFERRAL PROGRAM
AN EMPLOYEE REFERRAL PROGRAM CAN SERVE MANY PURPOSES.

You can build one to reach a larger network of candidates, increase diversity within your company, or to improve the quality of referrals, just to name a few.

Identifying a need is easy. Devising an employee referral program from scratch is hard. To make it a bit less complicated, we’ve gathered templates for seven different types of referral programs from companies like Google, Deloitte, and Facebook. These templates outline each company’s different goals and challenges, and what they did to launch their own employee referral programs. These can be used to as a way to provide structure as you’re designing your own referral program.

Discover what some of the leading companies in the world did to launch their own successful employee referral program.
7 DIFFERENT REFERRAL PROGRAMS

4. The Team Referral Program
   Inspired by Google

6. The External Referral Program
   Inspired by Citrix

8. The Employee Ambassador Program
   Inspired by RedHat

10. The Diversity Referral Program
    Inspired by Intel

12. The Global Referral Program
    Inspired by Dell

14. The Alumni Referral Program
    Inspired by Deloitte

16. The Social Referral Program
    Inspired by Facebook
THE TEAM REFERRAL PROGRAM

Inspired by GOOGLE
THE TEAM REFERRAL PROGRAM

Inspired by GOOGLE

DEFINITION

- Encourage employees (especially new hires) to short-list the top 5 - 10 people in their professional network that they would work with again.

GOALS

- Identify the best talent in a new hire’s network.
- Get introduced to and stay in touch with these referrals.

CHALLENGES

- Google wanted to increase the number of employee referrals they were receiving. The quickest and easiest way to do that (or so they thought) was by creating a bigger incentive for their existing employees.
- Google doubled their referral bonus from $2,000 to $4,000, in addition to streamlining the candidate and employee experience, but saw no change in the actual volume of employee referrals.
- When increasing referral bonuses didn’t work, Google has to devise a new strategy to increase their volume of employee referrals.

WHAT THEY DID

- Google asked specific questions to all employees, especially new hires, about the top talent in their networks.
  - Ex: “who is the best software engineer you have ever worked with?” or “who is the best salesperson in New York?”
- New hires were asked to list and provide contact information for the top 5 - 10 people they would work with again.
- Existing employees were asked who in their network would be a good fit for Google. Recruiters used this list to proactively source and stay in touch with the highest quality candidates.

RESULTS

- Google increased the volume of employee referrals by 33%.

THE EXTERNAL REFERRAL PROGRAM

Inspired by Citrix

DEFINITION

• Invite the anyone (contractors, customers, friends) to share jobs and send referrals to broaden your talent reach.

GOALS

• Reach a larger network of candidates typically outside your organization’s reach.

CHALLENGES

• Citrix had an existing employee referral program that was performing well but was only accessible to full-time exempt employees.
• They wanted to expand the program to allow non-exempt, part-time, and contract employees to participate in the program, along with non-employees like customers, candidates, and friends of employees.

WHAT THEY DID

• Citrix used an employee referral automation platform that was developed internally. The platform was a mobile app and available for non-employees like contractors and friends of employees.
• Citrix launched an external referral program where select jobs were advertised publicly with a referral bonus that was available to anyone - not just their employees.
• Employees were introduced to the mobile app for referrals in person during all hands meetings.
• Citrix invited contractors to download the app and submit their referrals.
• To streamline the fulfillment of rewards, Citrix outsourced their rewards management to EmployUs which handled all taxes, payments, and eligibility.

RESULTS

• After three months, Citrix filled 20% of the jobs posted via the external referral program, which helped them fill entry level to executive roles in sales and recruiting.

THE EMPLOYEE AMBASSADOR PROGRAM

Inspired by Redhat
THE EMPLOYEE AMBASSADOR PROGRAM

Inspired by RedHat

DEFINITION

• Create employee engagement levels to build a culture of employee referrals & reward your best employer brand advocates.

GOALS

• Improve the employee and candidate experience.
• Improve the quality of employee referrals.

CHALLENGES

• RedHat’s initial employee referral program was designed to support the company at an earlier stage in their growth. The company quickly grew to 10,000+ employees and they needed to streamline how employees engaged in the referral program.
• Employees were unable to check the status of their referrals and weren’t receiving updates, leaving them in the dark as to where their referral was in the hiring process.
• Employees could only submit referrals to specific jobs. There was no way to invite someone to view all of the open jobs at the company.

WHAT THEY DID

• RedHat launched an 18 month project to analyze their existing employee referral program and built a custom solution in house to meet their needs.
• They leveraged an Ambassador Program Steering Committee and the RedHat Innovation Labs which surveyed all of their employees and identified the areas that needed improvement the most.
• After hearing from employees, they begun a year long process of developing a solution in-house to meet their unique needs.

RESULTS

• RedHat created three employee ambassador levels
  – Super Ambassador
  – Mega Ambassador
  – Ultimate Ambassador
• 40-50% of hires through employee referrals
• Integrated solution with their ATS, iCIMS, to increase transparency throughout the referral hiring process

Source: https://books.google.com/books?id=t7bCoQEAAJ6printsec=frontcover&source=gbs_ge_summary_r6cad=0#v=onepage&q=false
THE DIVERSITY REFERRAL PROGRAM

Inspired by Intel
THE DIVERSITY REFERRAL PROGRAM

Inspired by Intel

DEFINITION
• Create a dedicated referral program with a separate rewards program to encourage referrals to women and minorities.

GOALS
• Increase diversity within your company’s workforce.

CHALLENGES
• At the end of 2014, Intel had nearly 54,000 employees.
  – Over three-quarters of its workforce were male.
  – 56% of employees were white.
  – 8% of the company’s employees were Latino.
  – 3.5% percent were African American.
• Intel unveiled an initiative to increase their female and minority contingent by a minimum of 14% before 2020.
• Intel CEO Brian Krzanich committed $300 million to push for diversity both within the company and across the tech industry.

WHAT THEY DID
• Intel doubled referral bonuses from $2,000 to $4,000 for all referrals that helped them reach their diversity goals.

RESULTS
• 41% of hires came from underrepresented groups; up from 32% the previous year.
• 17% of senior executives hired in the first quarter were from minority groups; up from 6% the previous year.
• 33% of senior executives hired in the first quarter were women; up from 19% in the previous year.

Sources:
https://www.fastcompany.com/3049179/intel-will-award-double-referral-bonuses-for-diverse-hires
THE GLOBAL REFERRAL PROGRAM

Inspired by DELL
THE GLOBAL REFERRAL PROGRAM
Inspired by DELL

DEFINITION
• Streamline and standardize a global employee referral program.

GOALS
• Enhance an existing global employee referral program:
  – Increase quantity and quality of referrals.
  – Provide a better employee experience.

CHALLENGES
• Lack of consistent policy interpretation.
• Manual processes leading to human errors.
• Inability to accurately track global spend or payouts in other countries.
• Lack of promotion and understanding of the program.
• Flat payout amounts.
• No social sharing of jobs.

WHAT THEY DID
• Reviewed and updated the policy so that it was consistent across all locations.
• Provided clarity around payout amounts and timing.
• Implemented a social sharing job tool/talent community.
• Created regional teams to promote the program.
• Centralized and improved the administration of the program.

RESULTS
• 50-125% increase in global referral hires.
• 20% overall decrease in CPH (Cost Per Hire) over 3 year period.
• Better global forecasting and consistent timeframes for payouts.
• Enhanced global participation.
• Administrative time savings roughly equal to one Full Time Employee.
• Improved documentation (in multiple languages) to support payouts or denials.
• Centralized tracking of referral sources for better reporting and visibility.

Sources:
https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/dell-employee-referral-program.aspx
THE ALUMNI REFERRAL PROGRAM

Inspired by Deloitte
THE ALUMNI REFERRAL PROGRAM
Inspired by Deloitte

DEFINITION
• Invite alumni networks to share jobs and submit referrals to broaden your talent pool.

GOALS
• Deloitte employs over 60,000 people and have an alumni base of more than 174,000.
• They wanted to leverage not just their current employees but the entire alumni base to receive referrals from an audience three times larger than their current employee base.

CHALLENGES
• Deloitte receives more than 500,000 resumes each year and only hires 4% of applicants.
• They needed a way to quickly identify people who would be a good fit for a career at Deloitte.
• They had to identify who is or isn’t an alumni and ensure they could legally reward these former employees.

WHAT THEY DID
• Implemented a tool to check for alumni status.
• Launched a landing page to promote the program.
• Directed all alumni to submit referrals via the careers page.
• Offered referral bonuses of $3,000 for managers or above and $1,000 for positions below manager level.

RESULTS
• Deloitte hires 49% of hires from referrals, which includes employee and alumni referrals combined.

Sources:
https://www.entrepreneur.com/article/245490
https://www.ft.com/content/616e4508-d0b2-11e5-92a1-c5e23ef99c77
THE SOCIAL REFERRAL PROGRAM

Inspired by Facebook
THE SOCIAL REFERRAL PROGRAM

Inspired by Facebook

Full disclosure: Facebook hasn’t released data on their employee referral program...but we get excited about how companies can leverage Facebook and your employees’ social networks for recruiting. Here’s how we would recommend Mark Zuckerberg and Co. set up their employee referral program to best take advantage of their own (and others) social network.

DEFINITION
• Invite employees to share your careers page and/or individual jobs on their social networks.

GOALS
• Showcase employer brand & maximize impressions.

CHALLENGES
• Process:
  – How do employees share job content?
  – How can an organization track who is responsible for generating a referral?
• Permission:
  – Does this give the company permission to view their employees’ personal Facebook pages?

WHAT THEY DID (IN A FICTIONAL WORLD)
• Set up a weekly email campaign to employees with prompts to share jobs on Facebook, Twitter, or LinkedIn
• Promote recommended jobs to employees based on their profile (location, department, prior roles, etc)

(POTENTIAL) RESULTS
• Let’s say you have 500 employees participate in your social referral program at least once per month.
• Assuming each person has 200 friends on Facebook, you could reach 100,000 people who are directly connected to your employees, every month.

Sources:
NOW IT’S YOUR TURN.

Want to launch Google’s, Dell’s, or RedHat’s referral program at your organization? Contact us today to speak with a Cadient Talent employee referral expert to learn how.

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