

P A N T E R A

Employee Referral Program

Why have a Referral Program?

Research has found that referred candidates are of higher quality than applicants from the general public and are more likely to receive and accept an offer, stay with the company longer, and perform better.

- Referrals are 4x more likely to be offered a job than applicants.
- Referred hires stay 70% longer than other employees.
- 88% of employers rate employee referral programs as the best source of applicants
- The #1 way people discover a new job is through a referral.
- The average recruiting life cycle takes 55 days. Referrals are nearly twice as fast averaging 29 days.
- Save on Agency fees.

Why should employees care about a Referral Program?

- Free up your time! Referrals are more likely to pass an interview process allowing you to spend less time interviewing.
- Referrals are typically of higher quality than applicants from your postings. More talented colleagues make your team stronger and the company more successful!
- Rewards!

Keys to a Successful Referral Program:

1. Simplicity
 - Make it as easy as possible to submit a referral. Fewer barriers mean more referrals.
2. Creative Rewards
 - Your employee referral program should offer some form of incentive, whether it's monetary, non-monetary or a combination of both.
 - Don't be afraid to experiment. At the end of the day, you know your team best!
 - Additional Reward Ideas: paid vacations, extra time off, gift cards, noise-canceling headphones, dinner at a nice restaurant or donating money to a charity of the employee's choice. Feel free to mix and match!
3. Feedback Generation
 - A feedback loop is necessary because it shows the overall performance of the program. Gather both internal and external feedback from current employees and new candidates. The feedback you gather from these individuals offers deeper insights than data alone.

Fun Fact on Referral Programs:

- 35% do it to help their friends
- 32% do it to help their company
- 26% do it to be seen as a valuable colleague.
- ★ **Only 6%** do it for money and recognition.

- The main purpose of the reward is to keep the program top of mind! Creative Rewards matter!

Streamline a Referral Program:

1. Use an online employee referral tool
2. Create a simple online form (we recommend Google Forms)
3. Create an email template that employees can easily use to refer qualified candidates
4. Plan to solicit referrals via email each time you post a new job

Enacting a Referral Program

1. Create the Program
 - [See Template below](#)
2. Announce the Program
 - Have an official launch to create enthusiasm and engagement around the program. Organize a party or announce the program at a company-wide meeting. Give employees the pertinent details and focus on motivating them to participate.
3. Promote the Program
 - Make Referrals apart of new hire onboarding
 - Ask every new employee “Who is the best _____ you have ever worked with?”
 - Make Referrals part of company culture
 - Recognition - Reward not just with monetary but public recognition!
 - Contests - The best referral programs also hold contests. Consider running a couple “promotions” a year. Having referral contests between teams and giving out prizes can help build excitement and encourage teamwork. Recognize top referrers and help establish a referral culture that keeps the program in the back of your employees mind.
4. Track the success of your referral program
 - Whether you filled more positions with referrals or through other recruiting methods
 - The number of referrals made
 - The number of referrals hired
 - How long the candidates have stayed with the company
 - How managers and employees feel about the program

Recommended Referral Bonus:

We recommend a Referral bonus to be between \$2,000-\$5,000 USD. Below are two examples of how to structure your program:

1. One time payment: \$2,000-\$5,000 USD for any referral that is hired by by your company.
2. Tiered Reward Structure

- \$200 Amazon Gift Card or Bose Noise canceling headphones for every referral who reaches the onsite stage
 - (Payment to be made after 30 days after 'onsite interviews')
 - And \$4,000 for every referral who is hired.
 - (Payment to be made after referral is employed for sixty days)
- ★ Remember, be creative!!

When deciding what reward to have, consider using a tiered system. Examples:

- Offering more money for the hard to fill positions
- Offering swag for referrals that make it to the final round and money for hires
- Offering a flat amount for each referral and then more money for each stage the candidate makes it through during the hiring process.
- You could also offer compensation when the new hire reaches the six-month mark.

Additional Content

[Employee Referral Program - LinkedIn](#)

[Ultimate List of Hiring Stats - LinkedIn](#)

[Jobvite Referral Infographics](#)

[Alternative Reward Examples](#)

For any questions, please do not hesitate to contact [Nick Zurick](#) .

Referral Program Template

At [XXCompany NameXX] we believe our team is our biggest competitive advantage. We believe that our existing employees personify our values and are in the best position to help us attract the best talent. Therefore we wish to recognize and reward our employees for their efforts.

Why do we have a Referral Program?

Research has found that referred candidates are of higher quality than applicants from the general public and are more likely to receive and accept an offer, stay with the company longer, and perform better.

Why should you care about a Referral Program?

- Free up your time! Referrals are more likely to pass an interview process allowing you to spend less time interviewing.
- Referrals are more typically of higher quality than applicants from the general public. More talented colleagues make your team stronger and the company more successful!
- Rewards!

HERE'S HOW IT WORKS!

For every candidate you refer who is a new candidate to [XXCompany NameXX], who interviews/accepts an offer, and is employed with us for 90 days; you will be qualified to receive a reward.

Tiered Referral Bonus:

1. \$200 Amazon Gift Card or noise canceling headphones for every referral who reaches the 'onsite stage'
 - a. (Payment to be made thirty days after 'onsite interviews' have been completed)
2. \$5,000 for every referral who is hired.
 - a. (Payment to be made after referral is employed for ninety days)

How to Refer a candidate:

1. Email (Referrals@CompanyName.com) with the subject line 'Referral: Candidates Name'
2. Include the below information:
 - The candidates full name
 - The role you are referring them for
 - Contact information (email & phone number)
 - The referrals resume

Guidelines:

- The referral must represent the candidates first contact with our company in the past year (365 days)

- Both the referring employee and the referred employee must be current employees for 90 days after the referrals start date
- Exclusions: referrals for contract and intern positions do not qualify for this program. All referrals must meet posting requirements to be considered for next steps
- All employees are eligible to participate in our referral program with the exception of Talent Acquisition and Managers for positions in which they are hiring