

A SCHOOL OF THOUGHT ON EMPLOYER BRANDING IN THE MODERN SETUP

Abstract

Employer branding is one of the important aspects that the companies need to focus upon in this highly competitive times in order to attract, engage and retain the best workforce. The present chapter discusses about the employer branding concept in the modern setup of organizations. The chapter has three different parts: (a) Introduction and meaning of employer branding (b) Qualitative study to understand employer branding used in 20 different MNCs (c) Author's proposed model of employer branding. The qualitative study has also found out few effective ways to improve upon the employer branding concept in organizations with intent that the suggestions by the respondents maybe useful for organizations in the coming times.

Keywords: Employer branding, attraction, retention, competitive advantage, functional benefits

Authors

Rini John

Research Scholar
School of Management
RK University
Rajkot, India
rinijohn5394@gmail.com

Dr. Reena Patel

Professor
School of Management
RK University
Rajkot, India
Reena.Patel@rku.ac.in

I. INTRODUCTION

In every household, when we go for grocery shopping, we have specific brands for specific things we purchase. The brands that we choose over the other brands for same product can be due to several reasons like the quality, quantity, comparative price, other customers' recommendations or our own experience. We do not randomly take any product of any brand.

Similarly, while choosing an employer of our choice, we keep certain factors in our mind. Hence, it is a very crucial task to develop a good image as an employer in order to attract the best talents into the organization. In this competitive era, every employer is trying their best to attract and retain the best pool of talent with them. But, the one who gains the competitive advantage over the other competitors succeed in being a 'desirable employer' for many potential employees. Until recently, it was widely believed that the employer is more powerful in choosing an employee for their company, but now, the scenario has changed and now the employee is in a better position to choose the employer of their choice because of the competition among different companies in the market. Though, the scenario has changed and made the employee stand in a better position, the advantage still lies with the employer as they can get the best talent from the rest in the market if they turn out to be a better employer.

The chapter covers the meaning and different aspects of employer branding in the modern business setup. The chapter also includes the perceptions of different employers from renowned companies as to what they consider are the successful parameters of being a good employer.

II. MEANING OF EMPLOYER BRANDING

The term 'Employer Brand' was first introduced by (Tim Ambler, 1996) along with Simon Barrow in the Journal of Brand Management. They defined 'Employer Brand' as 'the package of functional, economic and psychological benefits provided by employment and identified with the employing company.' The exploratory research by Ambler and Barrow tested the application of brand management techniques to human resource management thereby defining the concept of 'Employer Brand', thus bringing a close alignment between marketing and HR practices. Employer branding is a term that has gradually become popular and is now taken more seriously by the employers everywhere. The benefits Employer Brand offers to the Employees are parallel to those that a conventional brand offers to consumers:

- Developmental and/or useful activities (functional)
- Material or monetary rewards (economic)
- Feelings such as belonging direction and purpose (psychological)

The image as an employer exists in the minds of current and potential candidates whether or not the organization puts in any particular efforts to manage the employer brand. Potential employees would always go for a comparative analysis regarding the employer branding aspects before they apply for their jobs. They would compare and see all the benefits that the organizations provide compared to the competitor. Hence, it becomes a vital task to enhance the employer branding efforts in order to be highly 'desirable employer'. According to (Urwin, 2022) 'Employer branding is a strategy that seeks to influence how

current employees and the rest of the larger workforce perceive a company’s brand.’ While the general branding concept may target the consumers at large, the employer branding concept targets the potential workforce and prospective hires.

III. UNDERSTANDING THE PRACTICAL APPROACH – A QUALITATIVE STUDY

A qualitative study was carried out to understand the perception on employer branding approach in 20 different MNCs wherein the senior level executives from each MNC expressed their thoughts on different aspects of employer branding. The results of the study are as follows:

The location of the respondents’ MNCs was based in the following cities:

Table 1: (Location of the Respondent’s MNC)

City	Respondents
Bangalore	10
Mumbai	3
Chennai	2
Hyderabad	2
Pune	2
Kochi	1

1. Rating the importance of employer branding concept in order to retain the workforce for a longer period of time in the organization

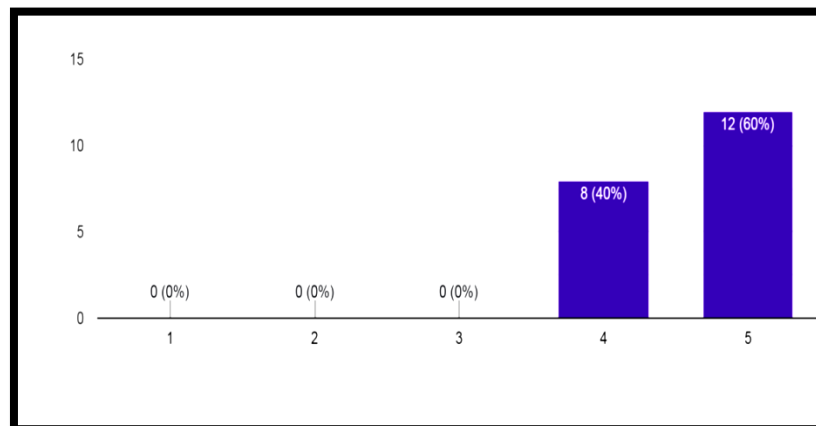


Figure 1: (Importance of Employer Branding)

In the figure 1, 60% respondents believe that employer branding is highly important to retain the workforce for a longer period of time in the organization whereas, 40% respondents believe it may not be highly important yet it is one of the important aspects for the organization.

2. Most important factors in order to build a good employer brand

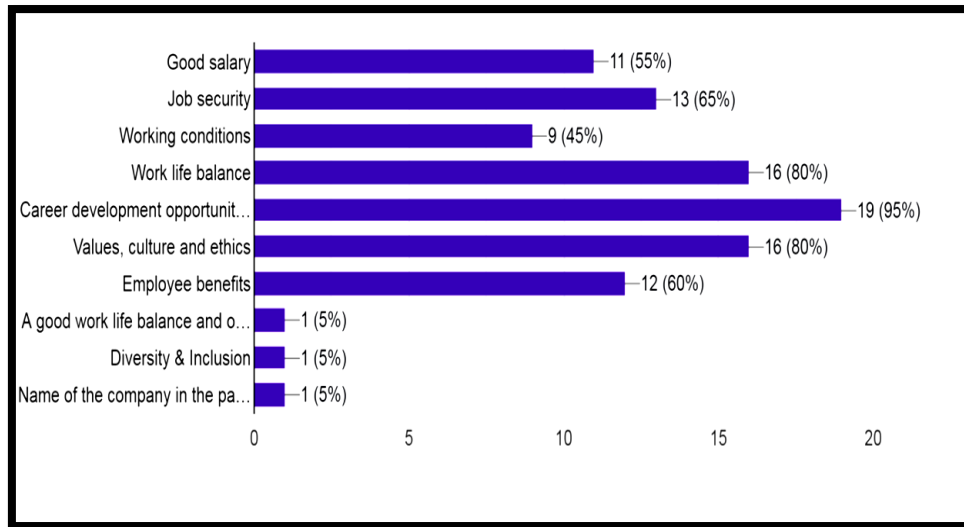


Figure 2: (Factors to Build a Good Employer Brand)

In this figure 2, it is clearly understood that 95% respondents believe that ‘Career development opportunities’ play a major role in building a good employer brand. ‘Work life balance (80%)’ and ‘Values, culture and ethics (80%)’ also has a significant importance in building a good employer brand. Next factors are ‘Job security (65%)’ and ‘Employee benefits provided (60%)’ that also adds in building a good employer brand. The other factors which may not have a major role but still are necessary to build a good employer brand includes ‘Good salary’, ‘Working conditions’, ‘Professional growth’, ‘Diversity and inclusion’ and ‘Reputation of the company in that particular sector’.

3. Factors that make their organization stand out than their competitors (Competitive advantage)

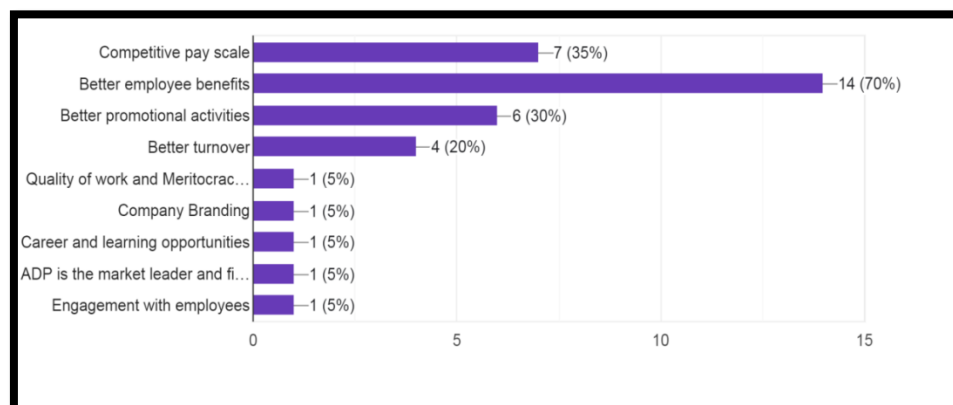


Figure 3: (Competitive Advantage)

In this figure 3, 70% respondents believe that ‘Better employee benefits’ provided by their organization acts as a competitive advantage to their organization, whereas ‘Competitive

pay scale (35%)’ and ‘Better promotional activities (30%)’ can be considered the next factors that too adds to the competitive advantage for the organizations. Other factors are ‘Better turnover’, ‘Quality of work and meritocracy based rewards’, ‘Company’s branding’, ‘Career and learning opportunities’, ‘Company’s reputation’ and ‘Employee engagement’.

4. The 3 most important parameters for the success of an organization

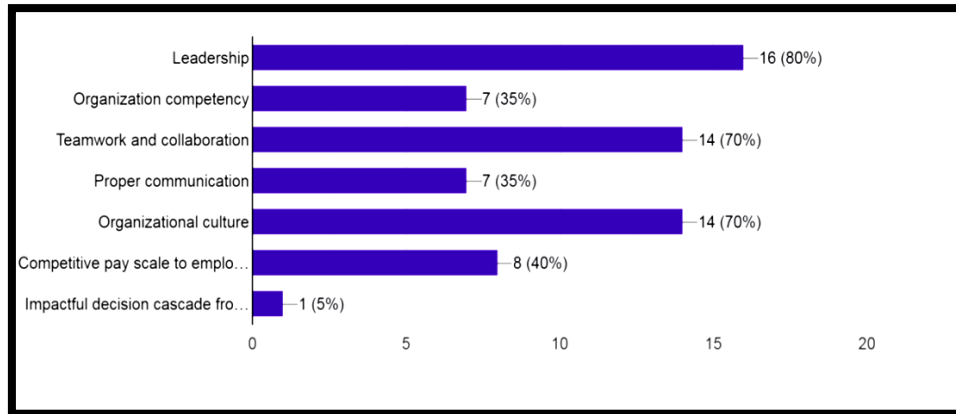


Figure 4: (Parameters for Success of an Organization)

In this figure 4, 80% respondents believe that ‘Leadership’ is the most important parameter for the success of an organization. A good leader can definitely create a positive impact on the minds of the employees to work better. The next parameters are ‘Teamwork and collaboration (70%)’ and ‘Organizational culture (70%)’ that affects the success of an organization. The remaining parameters are ‘Organization competency’, ‘Proper communication’, ‘Competitive pay scale’ and ‘Decision cascade from top to bottom level’.

5. Functional benefits provided by the organization

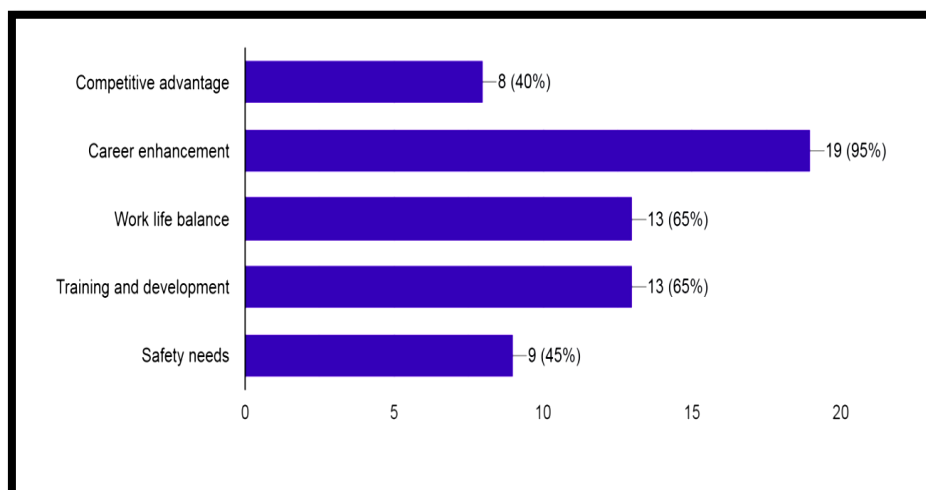


Figure 5: (Functional Benefits)

In this figure 5, majority of the respondents agree to ‘Career enhancement (95%)’ being one of the most important functional benefit that the organization provides to their employees. Apart from that, ‘Work life balance (65%)’ and ‘Training and development

(65%) are the next important functional benefits provided by the organization. The other functional benefits are ‘Competitive advantage’ and ‘Safety needs’.

6. Economic benefits provided by the organization

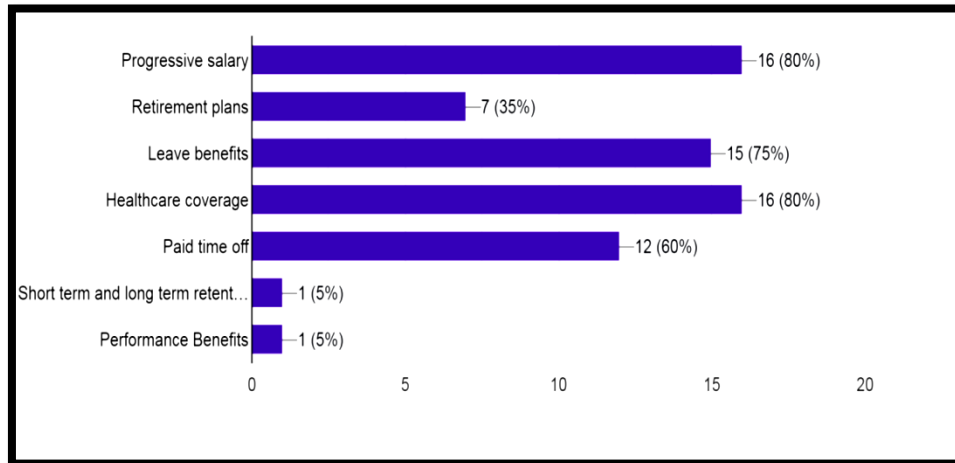


Figure 6: (Economic Benefits)

In this figure 6, 80% respondents for each benefit agree that ‘Progressive salary’ and ‘Healthcare coverage’ are the major economic benefits provided by the companies to their employees. The remaining economic benefits are ‘Retirement plans’, ‘Leave benefits’, ‘Paid time off’, ‘Short and long term retention benefits’ and ‘Performance benefits’.

7. Psychological benefits provided by the organization

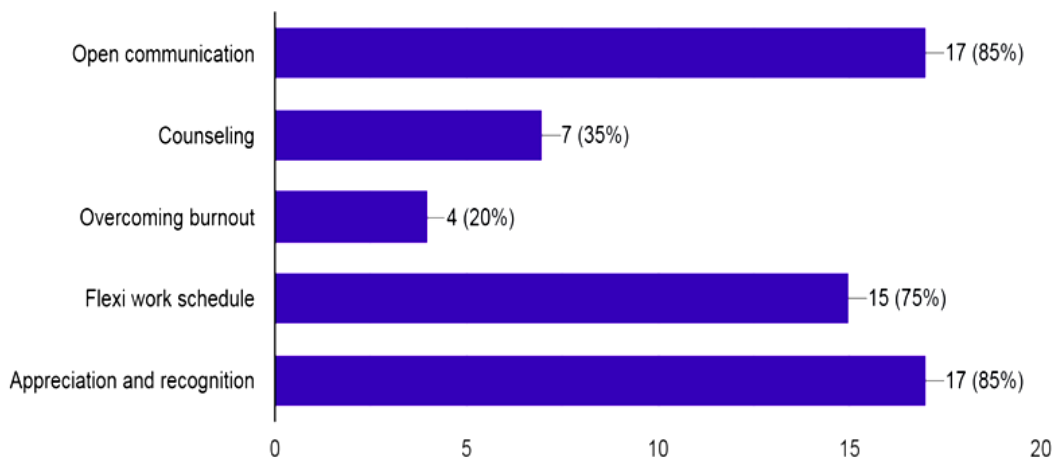


Figure 7: (Psychological Benefits)

In this figure 7, 85% respondents agree that each ‘Open communication’ and ‘Appreciation and recognition’ are the psychological benefits provided to their employees along with the other benefits like ‘Counseling’, ‘Overcoming burnout’ and ‘Flexi work schedule’. In recent times, burnout is one of the main reasons for stress in working people and it would be a great effort by the organization if they also look after the employees to overcome their burnout in order to keep the employees stress free so that they can work more enthusiastically.

**8. Organization's effort to build a stronger employer brand in the future (open ended)
Following points were mentioned by the respondents as the organization's effort to build a stronger employer brand in the future:**

- Improving work life balance
- Increasing the organization's brand value through different social medias and word of mouth
- Leading the competition with the organization's values and culture in a transparent manner
- Asking the employees to be the brand ambassadors of the organization
- Ensuring continuous employee development
- Building a culture of free will
- Better professional growth
- Building servant leadership philosophy which would help in building high performing people assets
- Encouraging open communication and employee feedback
- Trying to improve the reputation of the organization in the particular sector that the company is operating in
- Maintaining healthy competition
- Encouraging hiring through references from internal employees so that the internal employees feel empowered
- Partnering with external agencies to assess organizational culture thereby improving in any particular points
- More activities for team collaborations and employee engagement

Other suggestions/ opinions from the respondents

- Choosing employers through social media marketing ads (LinkedIn, Facebook, Glassdoor review etc.) can be misleading at times as the company's major strengths like the financial success or the true work culture may not be highlighted there. Hence a channelized method is required to do the employer branding activities more efficiently to attract a potential set of workforce.
- Treating employees fairly as well as being somewhat empathetic towards them can actually result into getting better work results from them. If the employees are treated well, they also feel encouraged to work more effectively for the organization.

IV. PROPOSED MODEL OF EMPLOYER BRANDING

It is important to understand that in order to create a good employer brand, it is necessary to blend the marketing and HR ideas together. Therefore, considering the above thought, the AGISK model of EB has been proposed here. The proposed model has been prepared considering the steps to create a good employer brand in the minds of potential employees so that through the proposed AGISK EB model, the potential employees can be attracted, engaged and retained in the organization. Given below is the detailed explanation of AGISK model of EB:

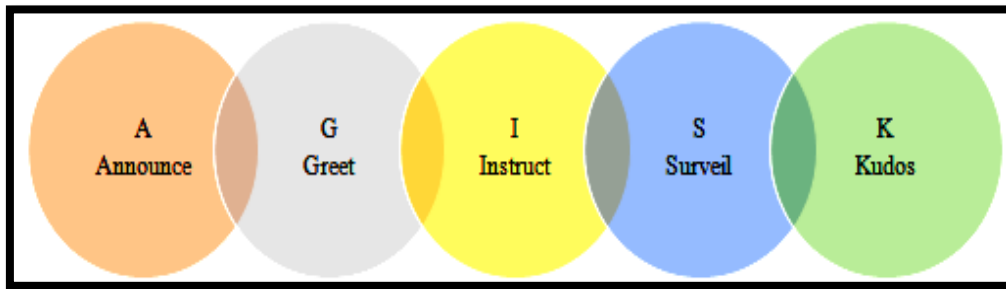


Figure 8: (Proposed Model of EB)
Source: Author's own proposed model

- 1. A (Announce):** Just as when a new product is launched in the market, it is necessary to create the awareness about this product among the minds of the customers. Hence promotions and advertisements are done in the market in such a way that it helps to attract most potential customers for the product. Same is with the A(announce) component of the model. Here, basically we are announcing about the employer that is about the organisation, in order to attract the potential employees so that they plan to join the organisation. (Martic, 2018) has given 5 steps that would help in implementing a successful employer branding strategy.

Out of all the points mentioned, in the 1st step, there are few points that can assist in the A (Announce) component of the model and those points are:

- Increase employer brand awareness
- Get more career site visitors
- Get more potential applicants from social site media
- Increase referrals rate and
- Increase offer – acceptance rate

Hence the A (Announce) component of EB is all about creating an awareness among the potential employees so that they can be attracted towards the employer brand and apply for the job in the organization.

- 2. G (Greet):** In the most ideal form, orientation is an ongoing process which starts with the recruitment and selection of the new employee and continues till one year of that employee at the job. At the pre – hire stage of the new employee, i.e. when he has accepted the job offer but has still not joined the work, it is important to greet the new employee in such a way that he feels connected towards the organization and would show willingness towards his work. (Hacker, 2014)

Here are few ways that would be useful in the G(Greet) component of EB model:

- Sending a welcome card/ bouquet as a token of welcoming the new employee
- Giving a brochure/ pamphlet to the new employee in order to understand what the organization is about and to understand the vision, mission and values of the organization

- A supervisor accompanying the new employee for the initial week or so in order to provide the new employee with a nurturing work environment
- Pre – assessing the training needs of the new employee so that he can be well equipped for the new job
- Discuss the expectations the organization has from the new employee so that he can prepare himself accordingly for the new job
- Once the new employee is onboard, greeting him in person and discussing all the points again in brief can help him get well versed with his job
- Planning lunch/ dinner with the new employee would make him feel more connected towards the organization

3. I (Instruct): The I(Instruct) component of EB is the training and instructions given to the new employees in order to get the proper understanding and practical learning through the training instructions given by the supervisor. Training instructions would not only benefit the new hire for better competency but is also beneficial to the organization for better productivity. With better and clear instructions through training, new employees can avail benefits like morale improvement, lesser mistakes, increased productivity and chances of promotion. (S.N., 2013)

Here are some ways to make the I(Instruct) component of EB more feasible:

- Set of instructions regarding the organization and the job to be done by the new employer in the printed form
- Demonstrations by the supervisor as to how a particular job that is assigned to the new employee should be done
- Use of computer assisted instructions
- Instructing while performing
- Instructing on the basis of outcomes after the job is done

4. S (Surveil): Surveil is to closely observe and monitor. After instructing the new employee regarding his job and responsibilities, it is important to observe and monitor the work he does so that it can be rectified if done erroneously. Here, the S(Surveil) component of EB is a part of Performance Appraisal concept in HRM. It is necessary to have a structured formal interaction the subordinate and the supervisor wherein the work performance of the subordinate is surveilled and discussed in order to identify the strengths and weaknesses of the employee so that it can be worked upon for better results. (Elizabeth Renju Koshy, 2014) Through surveillance of the work done by the employee, the motivation of the employee can be boosted as well as the performance and contribution of his work can add to the success of the organization.

Here are some of the ways to conduct the S(Surveil) component of EB:

- Collecting daily report on the work done by the employee each day
- Self-monitoring by employees themselves wherein the standards for their performance have been already set up for them
- One to one discussion with the employee himself to know about his performance and doubts regarding works if he has any

- Discussing the employee's performance with the others in whose contact the employee works (Ex.: peers, customers, subordinates, immediate supervisor)
 - Documenting the observations and giving a proper feedback to the employee regarding his performance at work
5. **K (Kudos):** According to the (Merriam-Webster, n.d.) Definition, Kudos means “praise given for achievement”. Every human being wants to be appreciated for the good works they do because appreciation adds to the motivation of the person to do even better. Creating an environment with respectful and supportive relations between the organization and employees and acknowledging the performance of the employees is one of the most effective ways to motivate the employees to achieve the desired goals for the organization. (Abena Serwaa Amoatema, 2016)

Here are some of the ways to put the K(Kudos) component of EB into effectiveness:

Formal ways:

- Monetary rewards like bonuses, paid time offs, cash awards
- Written appreciation letter
- Increased chances of promotion
- Increments

Informal ways:

- Verbal praise in front of other team members
- Allowing to take additional leaves
- Paid holiday trips

V. CONCLUSION

Employer branding is a concept that organizations need to focus upon for being better than the competitors because of the competitive environment today. The qualitative study and its outcome can be useful for organizations to attract, engage and retain the best workforce to improve the organization's overall performance. Hence, focusing on the employer branding approach is very important in today's time.

REFERENCES

- [1] Abena Serwaa Amoatema, D. D. (2016). Making Employee Recognition a Tool for Achieving Improved Performance: Implication for Ghanaian Universities. *Journal of Education and Practice*
- [2] Elizabeth Renju Koshy, D. (2014). Performance Appraisal in the Contemporary World. *International Journal of Advance Research in Computer Science and Management Studies*, 80-83.
- [3] Hacker, C. A. (2014). New Employee Orientation: Make it Pay Dividends for Years to Come. *Information Systems Management*.
- [4] Martic, K. (2018, March). *TalentLyft*. Retrieved from TalentLyft Website : <https://www.talentlyft.com/en/blog/article/117/employer-branding-strategy-in-5-steps-infographic>
- [5] *Merriam-Webster*. (n.d.). Retrieved from Merriam-Webster: <https://www.merriam-webster.com/dictionary/kudos>

- [6] S.N., U. (2013). A Study on Training Importance for Employees of their Successful Performance in the Organization. *International Journal of Science and Research (IJSR)* , 137-140.
- [7] Tim Ambler, S. B. (1996). The employer brand. *The Journal of Brand Management* .
- [8] Urwin, M. (2022, July). *builtin*. Retrieved from builtin Employer Brand: <https://builtin.com/employer-branding>