

# “EMPLOYER BRANDING STRATEGIES IN STRUGGLING COMPANIES”

Author: Dr. Subroto Ganguly (Division Chair, Associate Professor, School of Business, Galgotias University )

Co-Authors: Tabinda Quadri, Pooja Yadav, Nikhil Joseph (Students, MBA, School of Business, Galgotias University)

## ABSTRACT:

To be a winning brand in the war for talent an employment brand needs to perform optimally in each of these dimensions. Ideally an employment brand should be credible, compelling, and connects emotionally with the organization's current employees and ideal recruits, marries the customer brand with the attributes of the workplace, it also uniquely differentiates the organization from others as well as authenticates and aligns with the values and culture of the current and potential employees. A strong employment brand begins with a promise that is credible, compelling, and connects to the applicant.

*With the liberalization of the Indian economy in 1991 and subsequent economic reforms, Indian companies are becoming internationally strategic to utilize the employer brand to attract and retain talent which leads to expand and growth of the business. Here we will talk about some concepts on employer branding and also to examine how Indian organizations with a positive corporate reputation can attract and retain employees even in the struggling times . It also focuses to explain the importance, applicability, outcome and creating an effective employer branding strategy of Indian companies Employer Branding has become as important as the goods or services in the market place.*

*Key words: Employer branding, Branding, brand equity, target reception*

## NEED OF THE STUDY

The objective is to explore the role that Employer Branding play in attracting and improving organizational effectiveness and success. The concept of an ‘\_employer brand’ can be defined as the creation, maintenance and the management of an agreeable, trustworthy and a progressive image of the employer with his policies addressing the needs and concerns of his prospective employees:

- To determine the effectiveness of employer branding practices for retaining employees in the struggling companies
- To examine the importance of internal employer branding strategies to retain talents

## BACKGROUND:

In developing product branding strategy, a lot of factors are involved. They are nature of business,

- nature of market
- target reception
- budget flexibility,
- long term mission of the organization, and □ Organizational structure.

Similarly in employer branding, the organisations are following to develop their brands. Every organisation has an external brand and an internal brand. The external brand is the image that an

organization projects to the customers, suppliers, investors, and the public. The internal brand is the image of the employers to the employees. When properly planned and executed, an employer branding initiative can help save the struggling companies from getting out of the competitive market.

## INTRODUCTION

The struggle for retaining best employees in an organization is as much challenging as retaining customers. The shortage of skilled and competent applicants and difficulty in attracting and retaining skilled talents. The organization that overcomes the challenges to attract and retain the right employees become a successful firm. Employer branding techniques provides positive experience and proper employee engagement which in turn capture the core values of the organization. It has turned a requirement for organizations to characterize specially with attractive employer branding techniques. As far as multinational enterprises are concerned employer branding has turned a prime factor in the field of research and development as it contributes positive attributes in the area of talent management, employee engagement and corporate reputation.

To be a winning brand in the war for talent an employment brand needs to perform optimally in each of these dimensions. Ideally an employment brand be credible, compelling, and connects emotionally with the organization's current employees and ideal recruits, marries the customer brand with the attributes of the workplace, it also uniquely differentiates the organization from others as well as authenticates and aligns with the values and culture of the current and potential employees. A strong employment brand begins with a promise that is credible, compelling, and connects to the applicant. Once hired, the employee should build a deep-seated relationship with the employer by embracing the employment brand through the everyday employment experience. If the relationship is powerful, the employee will become an engaged employee and ambassador of the brand.

## LITERATURE REVIEW:

There are a plethora of theories about marketing and branding, and discussing corporate image and corporate reputation, however, there are only a few theories available concerning employer branding, especially the linkage between employer brand and consumer marketing communication methods.

- According to **Keller (1993)** brand equity elevated the importance of brand in marketing communication strategy and is often used to persuade customers to buy a product or service. However, in recent years, especially in today's competitive market, employer branding is used to recruit and retain good employees from a diverse work force. Most companies tend to promote factors that make their firm a good place to work and also offering a bright and cheerful office space.
- In 2002 **Sutherland, Torricelli, & Karg** told that it is really tough to attract and retain employees in a struggling organization. To become a successful business organization, retention of skilled employees is very crucial. Employer branding is a tool for attaining identity and reputation for corporate organization which further helps to portrait the values and icon to potential employees.
- According to **Robert & Dowling (2002)**, superior performing firms have a greater chance of sustaining superior performance over time if they also possess relatively good reputations. It is consistent with the growing body of strategy research that links high quality intangible assets with sustained superior performance.
- In a study **Collins and Stevens (2002)** suggest that for intensifying employer brand image and to save the company from insolvency corporate branding plays an important role.
- **Fulmer, Gerhart and Scott (2003)** made an analytical study on top 100 US companies regarding employer branding policies and found that policies formulated for building employer brand helps to

nurture a stable and optimistic workforce mentality. Employer branding policies had significant positive impact on organization's performance.

- According to **Sullivan (2004)**, Employment branding is a targeted, long-term strategy to manage the awareness and perceptions of employees, potential employees, and related stakeholders with regards to a particular firm. It works by consistently putting forth an image surrounding management and business practices that make your organization an attractive, —good place to work.¶
- According to **Barrow and Mosley (2005)**, employer branding is used not only to transfer the message of the personality of a company as an employer of choice, but it also has been used to adapt the tools and techniques usually used to motivate and engage employees. Like a consumer brand, it is an emotional relationship between an employer and employee.
- **Chitramani and Deepa (2013)** conducted a study on employer branding among the selected Indian IT companies. The study focus on the employer branding initiatives adopted by three IT companies. TCS, Infosys and Wipro were selected and gathered facts about employer branding strategies implemented by these IT companies to build their brand.
- **Pallavi Mehta and Khushboo Sharma (2014)** conducted a research on management institutes at Udaipur to analyze the impact of employer brand on retention of employees and how they help saved a struggling company.

To be a winning brand in the war for talent an employment brand needs to perform optimally in each of these dimensions. Ideally an employment brand needs to be credible, compelling, and connects emotionally with the organization's current employees and ideal recruits, marries the customer brand with the attributes of the workplace, it also uniquely differentiates the organization from others as well as authenticates and aligns with the values and culture of the current and potential employees.

## BRANDS AND EMPLOYEES

A brand is —essentially a seller's promise to consistently deliver a specific set of features, benefits and services to the buyers is intended to identify the goods and services of one seller and differentiate them from those of competitors. However, in the context of employer marketing, the employer brand is to be understood as the set of distinctive images of a prospective employer which are manifest in the minds of the target groups- potential employees.

The difficult task for any organisation is to manage the multiple brands it presents to its various stakeholders (e.g. consumer brands, company brand, employer brand). Important in this context is the link between the human resource management function and marketing Both marketers and HR specialists need to be aware of the impact of their actions on each other's branding objectives, and as much as possible, need to align their efforts. The employer brand is affected by, and may affect, all of the other brands of the firm, and aligning internal belief about the firm and external brand messages is paramount. Companies with product brands with low consumer awareness may find it harder to attract highly skilled human capital, as potential recruits are less aware of the employer. Similarly, if product brands are seen as unattractive in consumer markets, potential recruits may have negative associations with the company and so may be reluctant to consider employment with the organisation.

### Brand Equity and Signalling

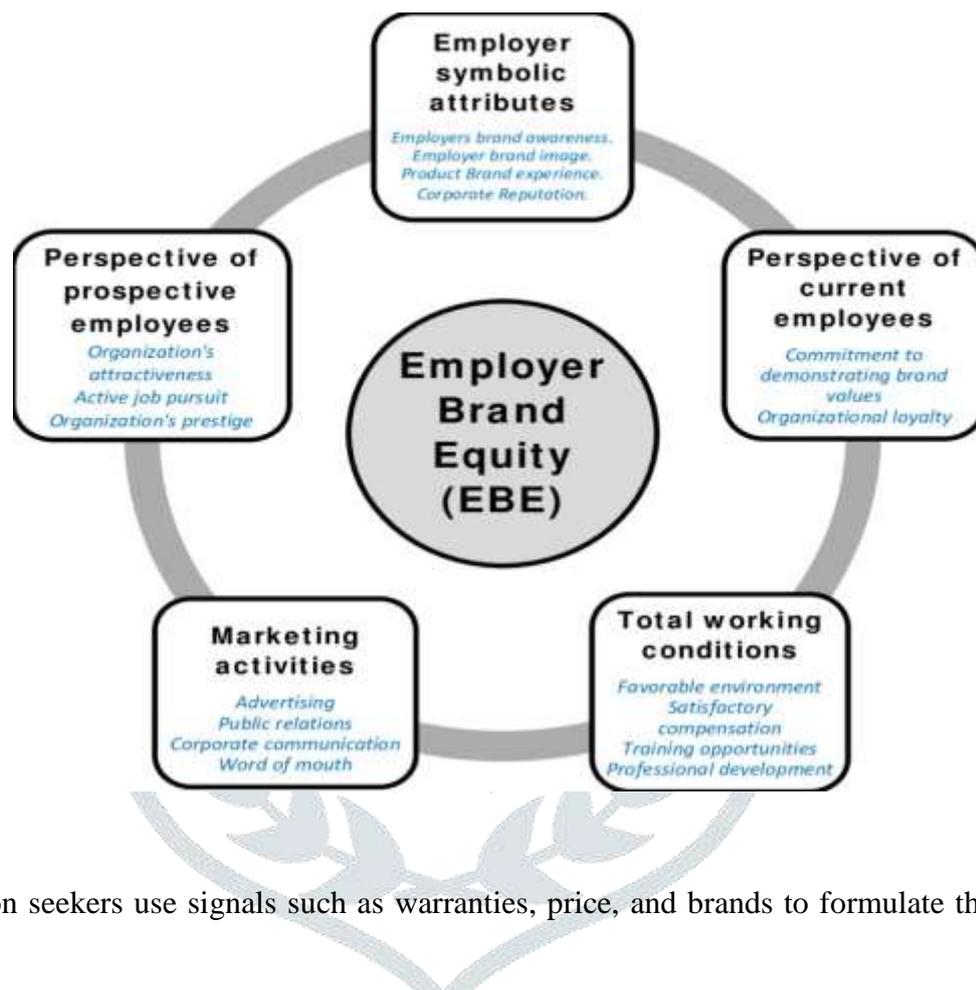
The marketing discourse has predominantly focused on the impact of product or corporate brands on consumers' attitudes, and their consequences for brand equity Tsao (2002) suggests two means of measuring brand equity; the first, derived from cognitive psychology; the second, from information economics. Cognitive psychology suggests that buyer-based brand equity is a consequence of the performance and personality of the brand and is reflected in the perceptions of buyers states that —Customer-based brand equity is defined as the differential effect of brand knowledge on consumer response to the marketing of the brand.¶

Brand knowledge provides important benefits to consumers by facilitating their information processing, increasing confidence in their brand choices, reducing perceived risk and information costs. Consequently, brand equity is reflected in changes in consumers' perceptions of risk, confidence and information costs. Previous research on human resource management has discovered

the value of investigating recruiting from a marketing perspective and used the cognitive psychology approach to brand equity

Further, these elements of brand image were significantly related to application intentions and actual decisions. The cognitive psychology view of brand equity is based on an assumption of knowledge in the marketplace; i.e. the individual has access to information about the brand. This view does not explicitly account for the information asymmetries inherent in these market interactions.

Information economics overcomes this limitation by accounting for interactions among the involved parties, and recognising problems that arise from asymmetric information in the market. In employment markets, asymmetric information motivates the information seeker to search for information in order to overcome the perceived information gap; consequently information costs may be incurred, avoid adverse



selection, information seekers use signals such as warranties, price, and brands to formulate their quality judgements

In the context of branding, It is said that brands are sale-independent signals; they communicate unobservable quality, regardless of a transaction .

Information asymmetry and signalling theory have potential applications in employment markets as would-be employees rarely have perfect information about a prospective employer. Employment with a particular firm will have long-term implications for employees (and employers) and these consequences motivate potential employees to invest effort into gaining information about prospective employers.

## EMPLOYER BRAND VALUES

### External Value

- 1) Enhancement of recruitment quality
- 2) Brings higher sense of achievement and loyalty for employee
- 3) Hike in employee referrals
- 4) Advertising and recruiting cost reduction
- 5) Strong employer recognition and employer attractiveness.
- 6) Attain competitive advantage in the talent market

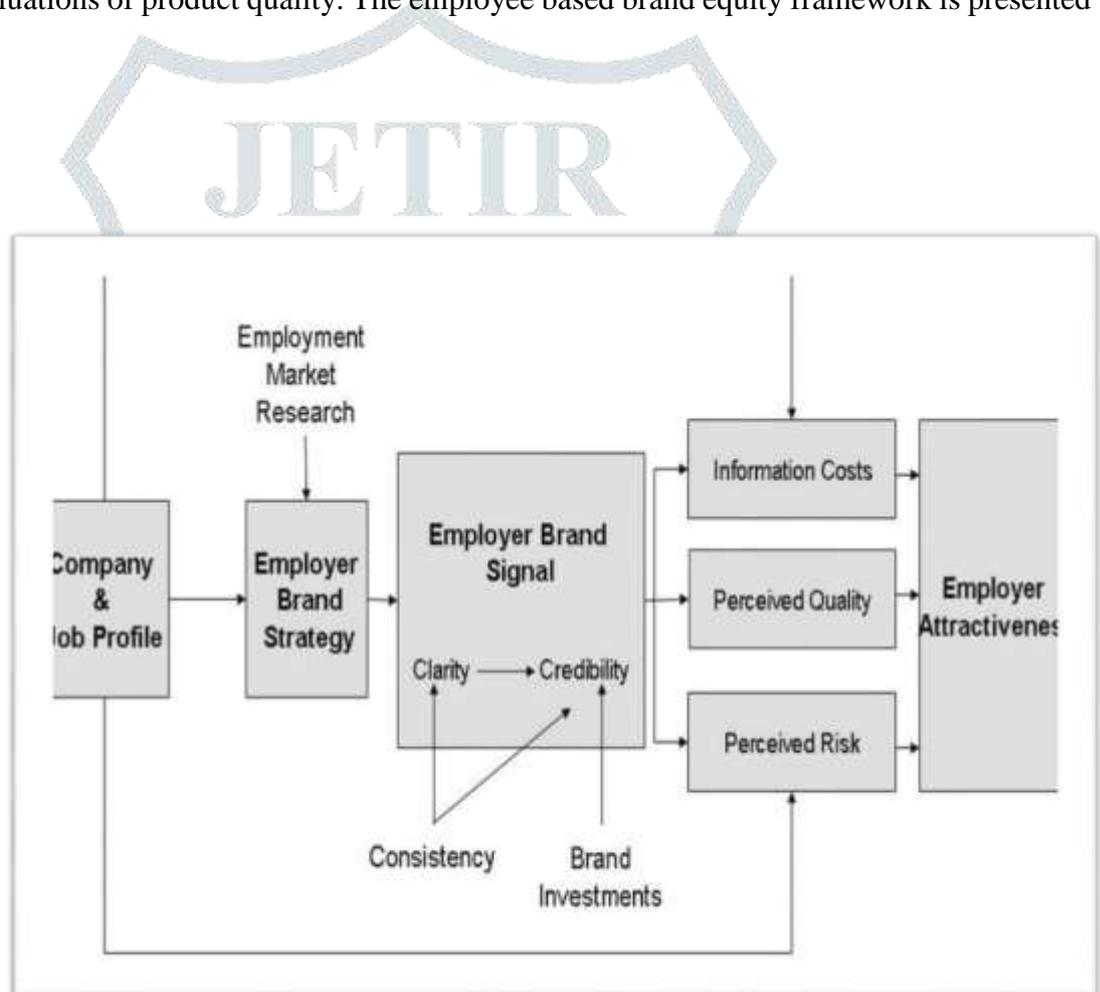
### Internal Value

- 1) Higher employee productivity and employee engagement
- 2) Employees feel good about the company
- 3) Best talent retention
- 4) Employees focus towards organizational goals
- 5) Better employer-employee relationship
- 6) Minimize the loss of talented and skilled employees

## CONCEPTUAL FRAMEWORK FOR EMPLOYEE-BASED BRAND EQUITY

Utilising a similar logic to Spence's job market model we view the employer brand as a signal to overcome this information asymmetry and to affect employee-based brand equity. We present a conceptual framework for employee-based brand equity,

modified from previous consumer based branding research examining the role of brand signals on consumers evaluations of product quality. The employee based brand equity framework is presented in Figure 1.



**FIG 1: EMPLOYEE BASED BRAND EQUITY FRAMEWORK**

If one adopts the internal marketing view, that employment opportunities (jobs) are one of the products offered by the firm, models of consumer behaviour may be applied to the employment market. In the same way that market information, prior experience and trust in the brand influence product evaluations; job evaluations may be influenced by search, experience, and trust characteristics. Potential employees can directly observe certain characteristics of a job, such as location and salary. However, other characteristics, such as work climate and employee orientation within the company cannot normally be observed by potential employees. In assessing the attractiveness of a prospective employer, potential employees incur costs associated with seeking the

information necessary to make an informed decision. They may search for observable information directly and/or make use of information substitutes. Searching for observable information is only possible for search characteristics such as location and salary; for experience and trust characteristics (e.g. career development, performance-based remuneration, and work climate) the potential employee needs to make use of information substitutes such as brand signals. To ensure that these brand signals convey the desired message to the employee market, companies must dedicate effort to their employer branding strategies. Employer branding affects the company profile by sending employer brand signals to recruitment markets. These employer brand signals reduce potential employee's information costs, and influence their perceptions of job quality, and the risk associated with joining the company. These signals create expected utility for potential employees, which can also be defined as employer attractiveness, an important element of employee-based brand equity. Employer attractiveness is the set of "envisioned benefits that a potential employee sees in working for a specific organisation".

Applying utility theory in the context of branding the job market, provides a basis for viewing the employer brand as a signal that has the potential to create utility for both the prospective employer and potential employee. From the perspective of the potential employee the employer brand serves several functions. It provides orientation during the selection process as strong employer brands. Consequently potential employees consider statements given by such companies to be more trustworthy. Furthermore, once having joined the organisation, the brand can serve as a mechanism to help employees to identify with the employer; working for a prestigious company makes employees proud and may result in higher work morale. For the prospective employer, the employer brand can increase the perceived value of the company as an employer, enabling segment specific recruitment strategies to be developed, supporting employee retention, differentiating the firm from other employers, and affecting preferences for other employers in the job market. In order to achieve this, employers must invest in clear and consistent brand signals to ensure that their position as 'employer of choice' is understood by potential employees. Clear communication of the employer brand and absence of bias in brand signals gives rise to a credible position in the employment market. when employees receive a believable, distinct image of the company as a prospective employer, they do not need to invest as many resources into unpacking and interpreting brand messages. This gives rise to the following propositions:

**P (1a):** Greater brand clarity leads to increased credibility of the employer's brand message.

**P (1b):** Greater brand clarity leads to lower perceived risk associated with the employer.

**P (1c):** Greater brand clarity leads to lower information costs associated with gathering information about the employer.

**P (1d):** Greater brand clarity leads to increased perceived quality of the employer.

Credible brand signals convey information which has greater potential to be effective in reaching the target group Potential employees' perceptions of the credibility of the employer brand signal is dependent on their evaluation of the trustworthiness of the prospective employer, and potential employees' perceptions of the willingness and ability of the prospective employer to deliver what is promised. Promises made to potential employees during recruitment affect their expectations and subsequent evaluations of the job. Additionally, negative word of mouth may result and employee referrals may decrease. This, ultimately, increases their perceptions of the quality of the firm as a prospective employer.

**P (2a): Greater brand credibility leads to decreased perceived risk regarding the employer.**

**P (2b): Greater brand credibility leads to decreased information costs regarding the employer.**

**P (2c): Greater brand credibility leads to increased perceived quality,** regarding the employer.

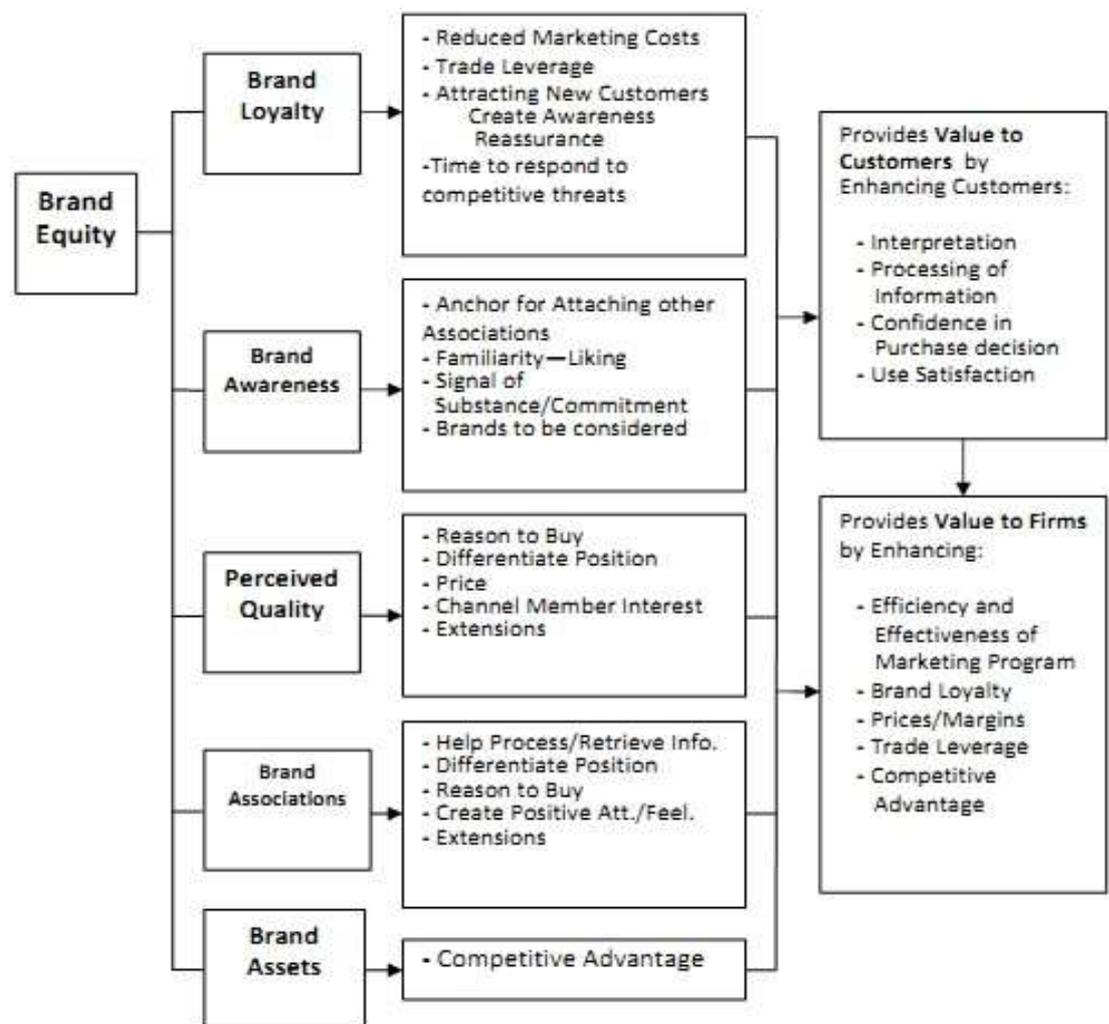
Brand consistency has both substantial and temporal dimensions. The substantial dimension of brand consistency refers to the degree to which each employer brand signal reflects the intended whole brands. The temporal dimension of employer brand consistency reflects the extent to which employer brand signals are consistent over time Higher consistency in brand signals alleviates confusion and associated information costs for the potential employee's; consequently reducing the risk associated with taking employment.

**P (3a): Greater consistency leads to reduced perceived risk regarding the employer.**

**P (3b): Greater consistency leads to decreased information costs regarding the employer.**

**P (3c): Greater consistency leads to higher employer brand credibility.**

Ultimately, employer branding efforts aim to communicate the expected utility that a potential employee should anticipate from joining a company, and so build employeebased brand equity. This can also be described as employer attractiveness. If potential employees have to commit high levels of resources in order to gain insights into a company, they may associate higher risk with joining the company and perceive the company as a less attractive prospective employer. If the information gained via signals is promising, perceived risk is reduced and the anticipated quality of a job enhanced.



## PLANNING YOUR EMPLOYER BRANDING STRATEGY.

### STEP 1: ALIGN YOUR STRATEGY WITH ORGANIZATIONAL NEEDS.

An effective strategy will be shaped by the business's short- and long-term needs, taking into account everything the organization wants to accomplish and the skillset it will require to do so.

### STEP 2: SET ACTIONABLE OBJECTIVES.

An employer branding strategy must help the organization solve a problem or accomplish a goal, and setting actionable objectives is the best way to ensure this happens.

**STEP 3: DEFINE RELEVANT KPIS.**

If your goal is to reduce total recruiting costs by 20% over a six-month period, cost-per-hire would be an essential KPI. The KPIs you define will vary based upon your objectives, but there are some best practices when it comes to selection:

**STEP 4: DEVELOP A MEASUREMENT PLAN.**

A measurement plan will ensure you're equipped to collect and analyze the data you need to make informed decisions. Developing a plan is a straightforward process that consists of answering a few questions:

**STEP 5: ALLOCATE RESOURCES UPFRONT.**

Defining roles and responsibilities up front will minimize roadblocks later in the process and help ensure deadlines are met. One of the biggest questions you'll face when allocating resources to develop employer branding strategy is whether to keep things in-house or enlist the assistance of an outside expert. Both options have advantages:

**EMPLOYER BRANDING STRATEGY IN 5 MAJOR STEPS****Step 1: Define your Employer branding goals**

Some of the common Employer Branding goals include:

- Get more job applicants
- Get more high-quality candidates
- Increase online engagement
- Increase candidate engagement
- Increase Employer Brand awareness
- Build trust with current candidates
- Get more career site visitors
- Get more applicant from social media
- Increase referral rates
- Increase offer-acceptance rate

**Step 2: Identify your Candidate Person**

Defining your candidate persona is a crucial step here. Without knowing who your perfect candidate is, you won't be able to send targeted messages to the candidates that you want to attract.

**Step 3: Define your Employee Value Proposition**

Do you know why your current has chosen you? Do you know why do they stay? Do you know what do they like most about you as an employer?

These are all the **questions you need to answer** in order to set up a successful Employer Branding strategy. Answers to these questions best explain your Employee value proposition. Your **EVP** is the **message** you will target your candidate persona with.

**Step 4: Define the channels to promote your Employer Brand**

There are around **10 touch points with candidates** before they get hires. Many of these touch points are also channels for promoting your Employer Brand.



### Step 5: Measure your Employer Branding success

HR Analytics and measuring the most important hiring metrics has become one of the main 2018 goals for HR professionals. You should measure the success of your Employer Branding strategy.

Data-driven recruiting, however, is impossible without the right recruiting tool ! Today, there are many HR tech solutions that help HR professionals excel their Employer Branding strategies.

### STEP 6: CREATE TARGET CANDIDATE PERSONAS.

It provides insight into the factors that motivate candidates to seek out and accept — or deny — a new position.

Candidate personas require first-hand feedback from prospective employees, so you'll have to conduct some interviews to get the information you need. Recent hires can also provide valuable insight, so make sure to include them in your interview schedule. Here are few criteria to consider:

Demographics are important factors to consider and can be extremely helpful when targeting candidates. However, be careful not to target too narrow thus unintentionally excluding populations and reinforcing unconscious biases. Not only is it unethical but it's illegal, so watch out.

### STEP 7: DEVELOP A COMPELLING EMPLOYEE VALUE PROPOSITION.

The employee value proposition (EVP) clarifies the expectations of both the candidate and company when a new hire is made. It will serve as the foundation for your communications materials, influencing everything you say and do when recruiting talent.

### STEP 8: EXAMINE YOUR APPLICATION PROCESS.

In many ways, the application process embodies your employer brand so make sure you understand what it's like from the applicant's point of view. Doing so will provide your team with an outsider's perspective on the process to determine areas for improvement.

**STEP 9: DON'T FORGET ABOUT RETENTION.**

Each lost employee can cost an organization anywhere from 30% to 400% of their annual salary, depending on seniority level, which makes a recent study that found only 30% of businesses are using their employer brand to boost retention even more surprising. Taking the time to account for employee retention when creating your employer branding strategy can pay some very tangible dividends:

**STEP 10: DETERMINE YOUR DISTRIBUTION MIX.**

It's important to determine which channels you'll use to communicate with candidates before developing employer branding materials. Not every channel is right for every business, so you'll want to identify where your ideal candidates spend their time and take your message to them.

This is one area where you'll definitely want to involve your marketing team.

**EXECUTING YOUR EMPLOYEE BRANDING STRATEGY****STEP 1: TAILOR EMPLOYEE BRANDING MATERIALS TO YOUR CANDIDATE PERSONAS.**

Developing your employer branding materials can be the most exciting part of the process, but it can be easy to lose sight of the hard work you've already done.

If properly executed, your candidate personas will provide the insight you need to tell a compelling story to specific candidates, so make sure to leverage them by segmenting your materials by audience. Below are a few examples of candidate segmentation in action.

**STEP 2: CREATE A CONTENT CALENDAR.**

Whether you're publishing a recruiting blog, running targeted ads on social media or rolling out new features on your careers page, creating a content calendar can simplify the process and hold people accountable for deadlines.

**STEP3: WATCH FOR COMMON IMPLEMENTATION ROADBLOCKS**

Up to 75% of organizations struggle to effectively implement strategies. The same study identified some of the most common sticking points during the implementation process, so watch out for these roadblocks:

**STEP4: MAKE SURE YOUR EMPLOYEES UNDERSTAND THE STRATEGY.**

Employee referrals account for more than 45% of internal hires. Start with the basics.

**OPTIMIZING YOUR EMPLOYEE BRANDING STRATEGY STEP 1: TEST YOUR MESSAGE.**

Your employer branding strategy will shape your recruitment messaging, and if your messaging isn't up to par, it will be almost impossible to meet your objectives. Routine testing is the simplest way to gauge the efficacy of your approach.

**STEP 2: DON'T BE AFRAID TO COURSE CORRECT.**

There will come a time when you'll need to make some changes to your employer branding strategy to address a weakness or capitalize on a new opportunity. How do you know when it's time to course correct? By this point, you'll have done the necessary legwork and collected all the data you need to make an informed decision.

### STEP 3: REPEAT, REPEAT, REPEAT.

There's no get-rich-quick scheme when it comes to employer branding, but there is one surefire formula for success: Test, measure and repeat.

Once you've planned, implemented and optimized your employer branding strategy, start over. Top-performing companies treat their employer branding strategy as a work in progress, never missing an opportunity to refine their approach and improve results.

## RESEARCH METHODOLOGY

In order to gain additional insights into the conceptual framework and to further clarify the concepts and effects anticipated from the literature, preliminary research, in the form of semistructured, in-depth interviews, was undertaken.

Respondents were recruited through a referral based convenience sample utilizing a snowballing technique. In order to maximize the richness of the insights generated from interviews, respondents were chosen from a range of cultural backgrounds, different educational backgrounds and were of varied age. Interviews were conducted based on a theory derived interview guide in a semi-structured format. During the interviews, respondents were asked to discuss the following topic areas: 1) previous experiences with employers and future career planning

2) Process of employer image creation and 3) Employment selection criteria.

Respondents were not given pre-determined categories of responses or topics to be covered. This minimizes interviewer bias and maximizes information regarding the empirical relevance of the constructs included in the study. All interviews were audio recorded and transcribed in full. The major strategies were:

1. **Instrument Development:** For this research, the questionnaire comprised of three sections which included demographics, employer branding and employer retention. There were a total of 27 items and a five point Likert scale was used (1–Strongly Disagree and 5–Strongly Agree) to measure the outcome and predictor variables.
2. **Employer Branding:** The scale of *Berthon et al. (2005)* was adapted for measuring the dimensions of employer brand with some modifications. These dimensions included application value, development value and interest value. Questions related to work life balance were developed from the operationalization of work life balance by *Dabirian et al. (2017)* and a total of 16 items were used to measure employer brand.
3. **Employee Retention:** Questions related to employee retention were adapted by *Kyndt et al. (2009)* which consisted of 11 items and were used to measure employer retention.
4. **Sample and Data Collection:** This study has used quantitative research design to test the hypothesized relationship between the variables. The units of analysis were teachers and administrative staff members of branded institutes. The population consisted of educational institutes of Islamabad. The sample was selected by using judgment sample, since the scope of the study was limited to branded organizations and there are limited numbers of branded organizations in Pakistan, specifically Islamabad. The sample was collected from three universities in Islamabad, i.e., National Defense University (NDU), National University of Sciences and Technology (NUST) and COMSATS University. The selected educational institutes were represented by their teachers and administrative staff. The sample size was measured through power analysis. According to power analysis the sample size suggested was 204, and 123 valid responses were received out of 204 questionnaires, and the response rate is 60%.

## TREND OF EMPLOYER BRANDING IN INDIA

Our vision to grow our business while reducing our environmental footprint and increasing our positive social impact makes the career opportunity at HUL exciting for young managers, " said Sanjiv Mehta, CEO & MD, Hindustan Unilever. FINDINGS According to the Campus Track Business School survey 2013, conducted by Nielsen. The FMCG major also retained the 'Dream Employer' status for the fifth consecutive year. According to the survey in 35 top MBA colleges in India, in October-November 2013, with over 1600 respondents, the following results were arrived at: 1. Most of the respondents opt for FMCG sector and the least opt for retail industry.

**Table 1: Preference of graduates' students of B-school for sector.**

| Preferred Sector                                    | Percentage Of Respondent |
|---|--------------------------|
| FMCG E-Commerce                                     | 34                       |
| Management Consulting                               | 26                       |
| Diversified groups and large business conglomerates | 22                       |
| Foreign banks                                       | 21                       |
| Advertising and marketing research                  | 19                       |
| Retail  | 17                       |
| 16  | Industry                 |

Source: HUL's the most preferred Employer again, The Economic Times, March 4, 2014.

According to the survey among the 10 companies the best employer happened to be HUL, an FMCG company and least preference is given it face book (table 2):

Table: 2 According to Nielsen, top 10 companies in terms of campus recruiter index (year 2013-batch graduating in 2014) are as follows:

| <u>DREAM COMPANY NAME</u> | <u>PREFERENCE NUMBER</u> |
|---------------------------|--------------------------|
| Hindustan Unilever        | 2                        |
| Procter & Gamble          | 3                        |
| Google                    | 4                        |
| McKinsey & Co             | 5                        |
| ITC                       | 6                        |
| Aditya Birla group        | 7                        |
| Axis bank                 | 8                        |
| TAS                       | 9                        |
| Boston Consulting Group   | 10                       |

Source: HUL's the most preferred Employer again' The Economic Times, March 4, 2014 page no. 8.

One in five (20%) respondents has indicated HUL is a dream company to work for; followed by P&G (12%) and ITC (9%). Seven percent picked Tata Motors, Boston Consulting Group, Accenture and Deloitte Consulting as dream companies. 3. According to survey, the most important factors considered by the respondent were higher degree of independence at work, opportunities to work with and learn from top talent, the company's reputation, working environment, the offer of a good starting position & growth prospects within the company and total salary package offered.

**Table 3:** Top factors that influence the students are as follows:

| Factors   | Respondents in percentage |
|---|---------------------------|
| Higher degree of independence at work                                       | 48                        |
| Opportunities to work with and learn from top talent                        | 37                        |
| The company's reputation  | 36                        |
| Working environment   | 36                        |
| The offer of a good starting position & growth prospects within the company | 31                        |
| Total salary package offered  | 29                        |

**Source:** HUL's the most preferred Employer again' The Economic Times, March 4, 2014 page no. 8

## DATA ANALYSIS

The data was analyzed by using the SPSS software version 20. Analysis was conducted via multiple regressions and the suitability of data for multiple regressions was ensured. See the table 1.

**Table 1. Descriptive Statistics.**

| Demographics         | Frequency | Percentage |
|----------------------|-----------|------------|
| Gender:              |           |            |
| Male                 | 87        | 70.7       |
| Female               | 36        | 29.3       |
| Total:               | 123       | 100        |
| Profession:          |           |            |
| Teacher              | 77        | 62.6       |
| Administrative Staff | 46        | 37.4       |
| Total:               | 123       | 100        |
| Age:                 |           |            |
| 20-30                | 42        | 34.1       |
| 31-40                | 48        | 39         |
| 41-50                | 24        | 19.5       |
| 51 & Above           | 9         | 7.3        |
| Total:               | 123       | 100        |
| Marital Status       |           |            |
| Single               | 41        | 33.3       |
| Married              | 82        | 66.7       |
| Total:               | 123       | 100        |
| Qualification:       |           |            |
| Matric               | 2         | 1.6        |
| Intermediate         | 6         | 4.9        |
| Bachelors            | 30        | 24.4       |
| Masters              | 54        | 43.9       |
| Doctorate            | 31        | 25.2       |
| Total:               | 123       | 100        |
| Work Experience:     |           |            |
| 1-5 years            | 43        | 35         |
| 5-10 years           | 33        | 26.8       |
| 10-15 years          | 20        | 16.3       |
| 15-20 years          | 10        | 8.1        |
| 20 & more            | 17        | 13.8       |
| Total:               | 123       | 100        |

Source: Author's creation from SPSS results

The descriptive statistics show that there were 70.7% males and 29.3% females. There were 62.6% teachers and 37.4% administrative staff who responded to the questionnaire survey. The minimum age group was

20–30, maximum age group were 50 and above, and 39% of the respondents lie in the 31–40 age bracket. The marital status shows that 33.3% were married and 66.7% were single. Among the respondents 1.6% had matric qualification, 4.9% of intermediate, 24.4% of bachelors, 43.9% of masters and 25.2% of Doctorate level. The work experience of respondents shows that 35% respondents had 1–5 years of experience, 26.8% of participants had 5–10 years of experience, 16.3% of respondents had 10–15 years of experience, 8.1% had 15–20 years of experience and 13.8% of respondents had 20 and more years of experience.

Construct Validity: To test construct validity that is convergent and discriminant, *Hadi et al. (2016)* proposed the evaluation of pattern and structured matrix.

Exploratory Factor Analysis (EFA) According to *Hadi et al. (2016)*, in Exploratory Factor Analysis (EFA) the different movements of observed variables are identified, considering cultural differences and research setting. Keeping this in mind, the author defined exploratory factor analysis (EFA) as —a statistical procedure used to reduce many observed variables to a small number of —factors/components|. The suitability of the data was ensured via KMO and Bartlett’s test as shown in Table 2. Kaiser (1974) recommends a bare minimum KMO value of 0.5 and that the values between 0.5 and Adm. Sci. 2018, 8, 44 9 of 15 0.7 are mediocre, the values between 0.7 and 0.8 are good, the values between 0.8 and 0.9 are great and the values 0.9 and above are superb as quoted by (*Hadi et al. 2016*). The results ruled that the value of KMO is 0.876, indicating that the data is fit for factor analysis.

Source: SPSS results

Further, Bartlett’s Test of Sphericity tells the strength of the relationship aimed at measuring the multivariate normality of set of distribution. If the significance value is less than 0.05 then that means the data has not produced an identity matrix and are thus approximately multivariate normal and acceptable for further analysis (*Pallant 2013*). It is further discovered that 73.5% of the variance is explained by application value, development value, interest value and work/life balance. According to the above pattern matrix (Table 3), all of the values are greater than 0.5, which means that all the items are converged on for their respective factors and convergent validity is ensured. If the value for Cronbach alpha coefficient is greater than 0.60 then it lies within the acceptable range (*Nunnally and Bernstein 1994*). Discriminant validity was also ensured via inspecting structure matrix. After construct validity, the reliability in the scales were checked. In the above table the Cronbach alpha exceeded the minimum acceptability range of 0.60 as suggested by *Nunnally and Bernstein (1994)*, therefore indicating that all the items used in the constructs are reliable and consistent.

**Table 3. Pattern Matrix.**

| Items  | Component 1 | 2 | 3 | 4 | $\alpha$ |
|--|-------------|---|---|---|----------|
| Developmental Value:   |             |   |   |   | 0.9      |
| Our organization provides foundation for future employment                       |             |   |   |   | 0.863    |
| Employees feel good about themselves as a result of working for our organization |             |   |   |   | 0.802    |
| Employees feel more confident as a result of working for our organization        |             |   |   |   | 0.724    |
| Our organization provides experience that improves our career                    |             |   |   |   | 0.719    |
| In our organization there is appreciation from management towards employees      |             |   |   |   | 0.504    |
| Interest Value: 0.88   |             |   |   |   |          |
| Our organization produces original products and services                         |             |   |   |   | 0.78     |
| Our organization provides unique work practices                                  |             |   |   |   | 0.77     |
| Our organization provides an exciting work environment                           |             |   |   |   | 0.73     |

- Our organization uses values and makes use of our creativity 0.71
- Our organization produces high-quality products and services 0.7
- Work/Life Balance: 0.86
- Our organization offers flexible work arrangements for employees 0.92
- Our organization looks after employees' work/life balance 0.79
- Flexible work arrangements offered by our organization enable us to be successful on and off the job 0.73
- Application Value: 0.8
- Our organization provides an opportunity to our employees to teach others what you have learned 0.77
- Our organization provides an opportunity to our employees to apply what you have learned 0.63
- Our organization is application oriented 0.52

Source: Author's creation from SPSS results.

### Multiple Regression Analysis

Assumptions of Multiple Regression Normality in the model were ensured via histogram, whereas linearity was ensured through pp-plot. According to Hutcheson and Sofroniou (1999), Durbin–Watson should lie between the two critical values of  $1.5 < d < 2.5$ . Durbin–Watson  $d = 2.077$ , therefore we can assume that there is no first order linear auto-correlation in our multiple linear regression data. Values of Variance Inflation Factor (VIF) should be less than 4 *Steen kamp and Van Trijp (1991)* and all the values in the table are less than 4, hence, it indicates that there is no multicollinearity problem among the dimensions of the predictor variable (see for detail Table 4)

**Table 4 . Multiple Regression Assumptions.**

| Assumptions                     | Threshold Point | References                                     | Model Values        |
|---------------------------------|-----------------|--|---------------------|
| Durbin Watson                   | 1.5–2.5         | (Hutcheson and Sofroniou 1999)                 | 2.077               |
| Variance Inflation Factor (VIF) | VIF < 4         | (Steen Kamp and Van Trijp 1991)                | IV: 1.935           |
|                                 |                 |  | DV: 2.783           |
|                                 |                 |  | AV: 2.384           |
|                                 |                 |  | WLB: 2.032 Critical |
| Values                          |                 | (Algur and Biradar 2017)                       | Min: 0.217          |
| Mahal Distance                  |                 | (values above the critical value are outliers) | Max:                |
| Mean: 3.9                       |                 |  |                     |
| Cooks Distance 4/n              |                 |  |                     |
| Min: 0.000                      |                 |  |                     |
| Max: 0.139                      |                 |  |                     |
| Mean: 0.010                     |                 |  |                     |

Source: Author's creation from SPSS results

From the above test it is evident that the development value is linked to the dimension of employer branding with the employee retention in branded institutions , with a beta of 21.4% and t-value of 2.47 with p-value

0.15 as it met the rule of thumb where p-value is less than 0.05. However, the rest of the dimensions are not confirmed as a key dimension in this setting. The multiple regression model summary reports that the coefficient determination R square equals 0.305, which means that 30.5% of the variation in the dependent variable (employee retention) can be explained by all the independent variables in the research see for detail Table 5.

**Table 5. Regression Analysis.**

| Hypothesis | Path     | Beta  | Std. Error | t Statistic | P Value | Decision     |
|------------|----------|-------|------------|-------------|---------|--------------|
| H1         | AV – ER  | 0.09  | 0.075      | 1.208       | 0.23    | Rejected     |
| H2         | DV – ER  | 0.214 | 0.086      | 2.47        | 0.015   | Accepted     |
| H3         | IV – ER  | 0.045 | 0.065      | 0.692       | 0.49    | Rejected     |
| H4         | WLB – ER | 0.053 | 0.064      | 0.823       | 0.412   | Rejected R 2 |

Adjusted R2 0.281

F-Value 12.931

Sig 0.0000

## **RESULTS AND DISCUSSIONS ON FINDINGS**

Employer branding is considered strategically crucial to gain employee retention. Employer branding enables the employer to build an image in people's mind that the firm is a great place to work.

There is a significant positive relationship in development value and employee retention but there is no relationship between application value, interest value, and work /life balance and employee retention. Maybe the combined effect of other relevant dimensions would yield different results.

This finding supports preceding research that development value is a crucial value in employee retention. Hence, more the employees are appreciated due to their work, the more employees feel good about them and feel confident while working for that organization and that they would retain in the organization.

Later in 2017, two values i.e., management value and work/life balance were added in the dimensions of employer brand.

In the similar year 2017, diversity value was another value added to the dimensions of employer brand. Until now, there are eight dimensions of employer brand and further we can recommend a ninth dimension that can be added to employer branding is Psychological value. TTS aim is to improve the quality of the faculty serving the higher education needs of the country. Considering that the alteration must not change the fundamental spirit of the tenure track process of an open recognition of merit that is employment opportunity should only be offered to individuals based on excellence as per the set criteria in the relevant subject matter. This is a significant development in the higher education sector of the country as it will have a dual effect on the overall higher education system of the country in context of the quality and volume of the new intellect that will be mentoring the future generations of the nation .Adm. Sci. 2018, 8, 44 12 of 15 The current findings reassert the concept given by social exchange theory and reciprocity theory, even though three of the four dimensions of the employer branding under investigation do not show any direct relationship. These dimensions certainly play a significant role in employee retention indirectly through effecting employee satisfaction and commitment as per existing research, whereas the developmental value plays a direct role in enhancement of the employee retention levels in an organization which maintains a sound employer brand.

### **Brand Clarity and its relationships**

Analysis of the interviews reveals that potential employees associate clear brand signals with having to invest less effort into gaining information about a prospective employer (support of P1a). company are clear but

the job descriptions and the specific employer brand values are rather ambiguous and unclear. Employer Branding Consequently the potential recruit had to search for further information to reduce this uncertainty.

All companies provide too little information regarding employment. However, opinions regarding if this is a bad thing or not differed widely. Some respondents see this lack of information as an opportunity for them to perform better than other candidates, as they consider their ability to search for additional information to provide them with —an edgel. Some respondents saw higher levels of information regarding a prospective employer as potentially detrimental to their interview performance.

Work experience also appeared to influence the utility that respondents anticipated from longer term aspects associated with career development. More experienced respondents were likely to value a specific company's contribution to their career profile and the chances for promotion, whilst less experienced respondents expressed greater utility from short-term phenomena such as income. One of the main driving forces for inexperienced respondents is to have a strong corporate brand on their CV other important factors for this group is training and mentorship.

*This would suggest that increasing employee-based brand equity requires that companies should create an employer brand image that promotes a strong commitment towards learning and development rather than just stressing salary.*

Interestingly, the majority of respondents did not identify risk associated with the prospective employer failing to deliver on their promises; rather they were more concerned with the risk that they would underperform, relative to the expectations of the prospective employer. Higher clarity of what is expected leads to lower perceived risk of joining the company (support of P1b).

They appear to be more concerned about being clear of what is expected of them and demonstrating their worth and good performance, rather than understanding the promises that are being made to them and evaluating prospective employers for the most favorable conditions of employment. The psychological contract implies that both prospective employer and potential employee create mutual expectations during the recruitment stage. Therefore, an employer brand image which causes a mismatch between expectations and reality can lead to workers' dissatisfaction and eventually decreased employee retention. It is important that companies set appropriate brand statements which clearly communicate employment values and expectations to applicants.

According to the respondents, **clear brand signals lead to clearer brand images in the potential employee's mind and reduce the perceived risk of joining a company which ultimately increases employer attractiveness** (support of P5c).

*Brand Credibility and its relationships Jobs, when viewed as products, combine search, experience, and trust characteristics.*

From our respondents' point of view, prospective employers generally provide low credibility signals to the employment market.

We conclude from this that credibility has a positive affect on the likelihood of joining a struggling company and ultimately increases the employee-based brand equity of the company. The relationship between employer brand credibility and the perceived quality of the firm as a prospective employer is only relevant if a company is already in the consideration set of a potential employee. Credibility alone will not increase employee-based brand equity.

Current employees are seen as credible ambassadors for the firm to the recruitment market (presumably as they have no transparent vested interest). Our findings also suggest that recruitment agencies are not be seen as credible ambassadors to the market.

Although there may be important considerations for the firm leading to a decision to disguise its identity in recruitment adverts, this action may have long-lasting detrimental effect on an employer's brand credibility.

Companies that initially disguise their true identity (for whatever reason) may be seen to not be proud of their brand. This fact has negative repercussions on the employer brand equity as the credibility of the employer brand may be diminished. Interviewees named several examples which they interpret as investments into the employer brand. These include devoting resources to employee development, participating in career fairs, maintaining career websites, advertising in business magazines, offering internships as well as being active in alumni networks and participating in employer of choice awards. Many respondents suggested that higher brand investments imply that a company would be more desirable to work for. One explanation for this observation may be that higher investments in the employer brand increase the credibility of brand signals conveying the importance of employees to the firm, ultimately giving rise to perceptions of quality, employer attractiveness, and employee based brand equity (support of P5b). Our respondents also identified differing brand investments across industries. Advertising agencies appear to dedicate too few resources to recruitment, making it difficult for potential employees to get to know them. Companies that dedicate more resources to recruiting and employer brand building are perceived as being a more attractive place to work than companies that do not. Accordingly, we find some support for the proposition that brand investments positively influence perceived job quality.

### **Brand Consistency and its relationships**

The interviews showed that two types of consistency are relevant to the potential employees. The first refers to the extent to which the information a company provides regarding employment is consistent across messages, the second refers to the extent to which the product brands are in harmony with the employer brand.

Often do not deal directly with employer brand signals, particularly in the early stages of the decision process. This suggests that potential employees often only state their interest in the selected industries that the recruitment agencies represent. This is similar to the situation of consumers wishing to purchase from a product category but having little awareness of competing brands within that category.

### **IMPLICATIONS BASED UPON BRAND CLARITY**

Our respondents generally expressed an opinion that they would like to receive more information about prospective employers. Potential employees are prepared and willing to search for information in addition to that which is provided by the employer brand. Furthermore, the products brands of a prospective employer appear to influence the decision making process of potential employees and, thus, a company's employee-based brand equity. This suggests a need for alignment of the employer, company and product brands of an organisation. This is especially important when recruiting less experienced potential employees as a consumer brand often is the only, or a dominating, signal that they receive from a prospective employer. The consumer-based brand equity framework presented by Erdem and Swait (1998) and modified in this study, does not explicitly address the role of previous experience in the creation of brand equity. Our findings suggest that this has a significant influence on how potential employees perceive employer brand signals.

In summary, factors that a company may control given sufficient motivation. However, other factors such as the potential employee's previous work experience, the industry in which a company is embedded, location and company size also influence the value that a potential employee places on a prospective employer, and consequently their employee-based brand equity. Our findings also suggest that information costs have a significant influence on employee-based brand equity, implying that recruiting organizations should invest in making information available to potential employees.

## **CONCLUSION**

The findings of our research are relevant to both marketing managers and academics as the search, and competition, for talented employees requires organizations to invest resources in employment related branding strategies.

This framework suggests that the effectiveness of a brand signal to potential employees is dependent on the consistency, clarity, credibility, and associated investments in the employer brand. Furthermore, for an employer brand signal to have an effect on a potential employee's decision making process the company has to be in the consideration set of the potential employee, membership of which is often determined by the industry in which the firm is embedded or location where the firm is based.

Previous experience is found to influence the credence that potential employees place on the employer and customer brands of the firm. Consequently employers should differentiate their marketing and HR efforts according to the work experience of the potential recruits, focus their recruitment investments on target markets that consider working in the relevant industry as well as make sure to align the different brand messages that are sent out by different departments of the company.

Furthermore, word-of-mouth through referrals appears to be the most credible source of employer brand information and managers should make use of this fact and establish employee referral programs.

First, the sample only included employees seeking a new job or a career change in recruitment markets and the impact of employee-based brand equity on the ability of the firm to attract scarce human resources, both theory and our qualitative interviews highlight the relationship between employer branding and employee retention. Psychological contract theory may provide insights into how mutual expectations between the prospective employer and the potential employee develop, and how employer brand signals may influence the human capital life cycle, both pre- and post-recruitment. Further research should therefore explore the role of the employer brand in employee retention and its possible implications for customer attraction, satisfaction and retention.

Further empirical research is needed to explore and quantify the relationships between the concepts in the framework presented in our modified conceptual model. Second, the presented conceptual framework focuses on brand equity from a potential employees' perspective. Further research should also explore the extent to which employee based brand equity is part of a wider framework of brand equity, synthesizing existing conceptualizations of customer-based brand equity and employee based brand equity, and possibly developing and integrating brand equity associated with other stakeholder, such as investors and community.

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