

# EMPLOYER BRANDING: A SYNERGISTIC AND REINFORCING FOR AN ORGANIZATION

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## ABSTRACT

*The paper deals with the concept of employer branding, and its impact on an organization. Employer branding is very imperative to follow, as an employer brand represents the core values of an organization. Organizations considered good employers have a strong identity and a positive image in the marketplace. To be successful, organizations need to attract the employee market. A strong employer brand enables an organization to attract and retain talent. It stimulates word of mouth, promotion about the organization and helps to deliver higher levels of customer service. Significantly it is the main driver of value from your organization's intangible assets. Employer Brand is "the image of an organization as a 'great place to work' in the mind of current employees and key stakeholders in the external market. Employer branding is therefore concerned with the attraction, engagement and retention initiatives targeted at enhancing the company's employer brand.). The objective of Employer Branding is quite simple. It is a strategy employed by an organization to create an Employer Value Proposition (EVP) that would convey to desired current and prospective employees why the organization is unique, appealing and a fantastic place to work in. EVP are communicated through company actions and behaviors and evoke emotive and rational benefits for current and prospective employees. These EVP replicate an image the organization wants to portray to its target audience and should be insightful of the true employment know-how. In this paper various case studies have used to explore the benefits of being an 'employer of choice' and highlights that employer branding can contribute significantly to overall business performance.*

**Key Words:** Employer Branding, Employer Value Proposition, employee branding

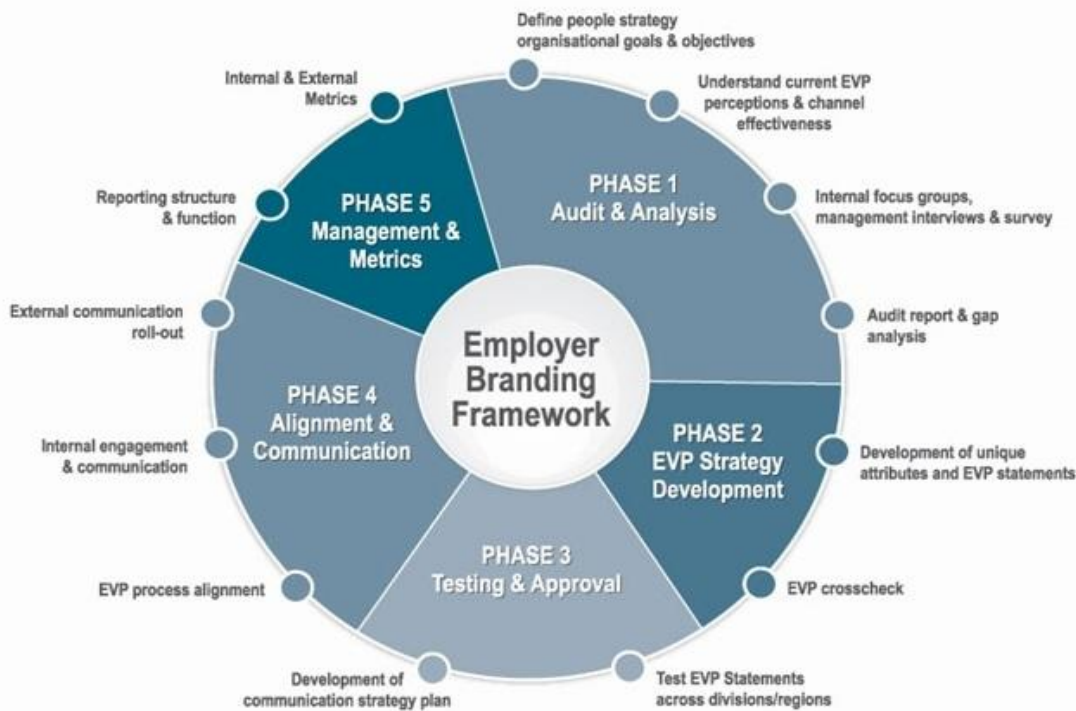
## 1. INTRODUCTION

Employer Branding is actually the image of an organization for the people working in the organization. It is this reputation that the companies make of themselves inside their premises candidates, the customers, the clients and also the others who are affected by the proceeding of the company. An employee brands ensures a sense of belongingness in the people and this makes the employees play an integral role in the achievement of success.

Ambler and Barrow (1996) have defined employer branding as the development and communication of an organization's culture as an employer in the marketplace. It is the package of functional, economic and psychological benefits provided by employment,

and identified with the employing company. It conveys the "value proposition" the totality of the organization's culture, systems, attitudes, and employee relationship along with encouraging your people to embrace and share goals for success, productivity, and satisfaction both on personal and professional levels. Employer branding is a distinguishing and relevant opportunity for a company to differentiate itself from the competition creating its branded factors as its USP for employee satisfaction and happiness resulting in retention, productivity and efficiency. According to Sullivan (2004), employer branding is a long-term strategy to manage the awareness and perceptions of employees, potential employees, and related stakeholders with regards to a particular firm. The employer brand puts forth an image showing the organization as a good place to work. This means involving employees at all levels in the development of the brand so that it accurately reflects both the realities and aspirations of the business and its workforce.

In branding literature, the employee role is recognized as crucial in delivering the service as promised by the brand. Employees are seen as a crucial element in the brand management, since they represent the brand in the interaction with the customer (Ahmed and Rafiq 2003). Therefore, employees have to be enabled to deliver the brand image (Keller 2003, Wallace and de Chernatony 2005). They have to know the brand values, need to believe them and act in consistence with the values. It becomes very critical to ensure that the employees live the brand itself. Before promoting the brand to the customer, the brand should be promoted to the employees. Each employee should understand the value system of the organization and the brand's deliverables, if this is not reflected in the behavior of the employees, the customer faces a brand disconnect. Imparting the brand's value system to the employees is referred to as "Employee branding or Internal Marketing" (Czaplewski, Fergu-son and Milliman, 2001).



Employment branding is the "package of functional, economic and psychological benefits provided by employment and identified with the employment organization (Barrow, 2001). It communicates the identity of an organization to others. It is the essence of what the organization stands for and should typify the fundamental nature of the organization. Essentially, it is the process of placing an image of being a "great place to work" in the minds of existing and prospective employees. At the heart of the Employment branding is the Employee Value Proposition (EVP). EVP is influenced by the organization's values, culture, leadership, environment, and talent and reward programs. Employment branding is internally and externally promoting a clear view of what makes a firm different and desirable as an employer (Lievens, 2007).

The first step to creating a distinctive and differentiating EVP is to generate critical insights through internal research, external research and talent competitor benchmarking. We use these insights to develop a proposition that balances aspiration stretch and everyday reality. At the same time, we strongly believe that strong employer brands are built from the inside out. Bridging the image – reality gap is a key challenge for many organizations that struggle to meet their brand promise. Therefore, our approach to activating your employer value proposition (EVP) is based on aligning processes, policies and behaviors within your organization to the "promise" that the EVP makes. Very often,

we help businesses to translate the employer brand into a tangible and pragmatic plan of action. Our leadership development expertise also helps your top leaders “walk the talk”, thereby inspiring exceptional performance. This makes the EVP truly come alive and helps your internal and external target audience connect with it better.

### 1.1 The employee branding process:

The process of employee branding is explained by Miles and Mangold (2004 p. 68) as “the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents.”

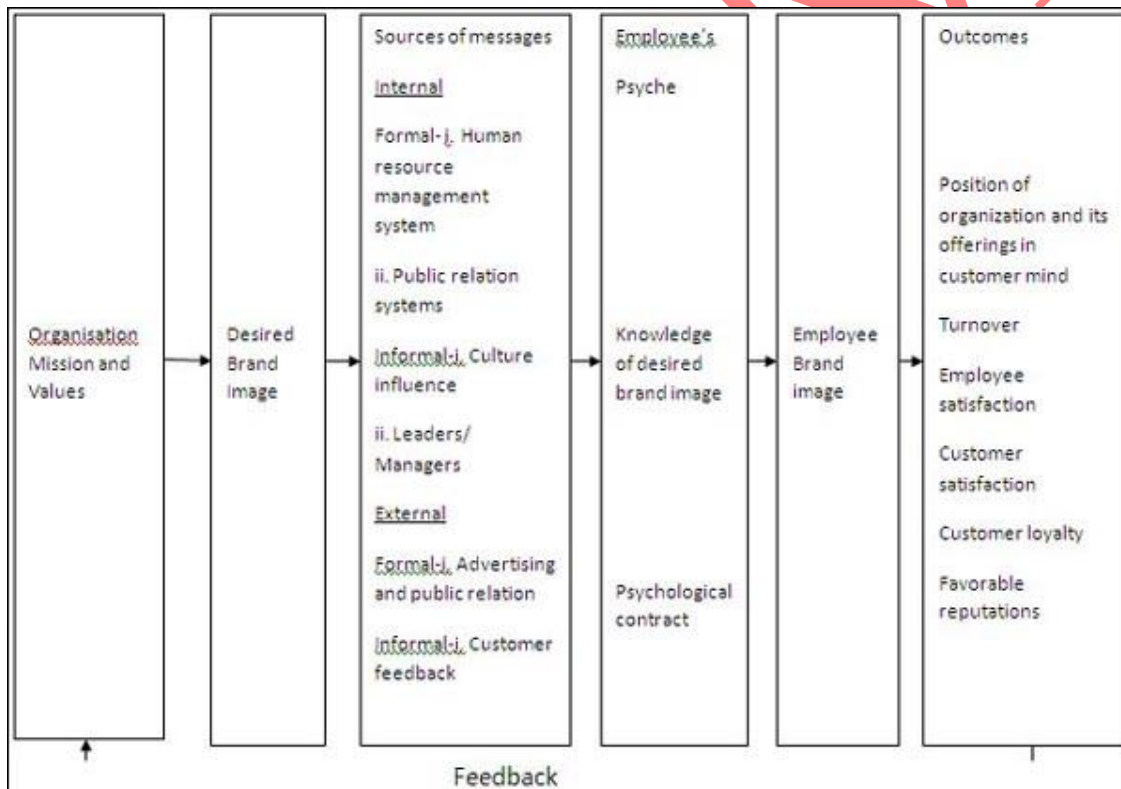
The employee branding process is represented in Fig. As the model indicates, the organization’s mission and values are the cornerstones of the process: they state the organization’s reason for being and give insight into the manner in which the mission is to be accomplished. An organization’s mission and values provide a foundation by which the desired brand image is defined. Messages transmitted within the organization should clearly convey the organization’s mission, values, and desired brand image. They should also communicate the behaviors and attitudes the organization deems important and expects from employees. Perhaps most importantly, the messages must be proactively designed and delivered frequently and consistently through all message channels if the employee branding process is to work effectively.

Effective and consistent transmittal of messages reflecting the organization’s mission and values will accomplish two things. First, it will enable employees to know, understand, and experience the desired brand image. Second, it will uphold the psychological contract that exists between the organization and the individual employee. As Rousseau (1995) explains in *Psychological Contracts in Organizations: Understanding Written and Unwritten Agreements*, the psychological contract is a perceptual agreement formed in employees’ minds about the terms and conditions of the working relationship. It is a central component of employee motivation and organizational life, in general. The psychological contract is also central to the employee branding process, in that the degree to which organizations uphold the psychological contract influences employees’ trust in their employers and their motivation to serve customers and co-workers. It also impacts their inter-actions with others, as well as their day-to-day productivity. Even though the formation of the psychological contract is an individualized perceptual process, it is important to note that organizations can shape employee perceptions and, hence, the foundation on which the psychological contract is built.

Organizations build employees’ knowledge and understanding of the desired brand image and influence the basis on which the psychological contract is built by consistently and frequently sending messages with mission- and value-based content. Inconsistent messages may result in confusion for employees and create a perception of duplicity on

the part of the organization. In fact, inconsistent messages are likely to result in a violation of employees' psychological contracts and negatively influence employee turnover, productivity, and loyalty. The employee branding process allows the organization to positively influence and manage this perceptual exchange.

Employees who receive frequent and consistent messages will understand, experience, and be motivated to project the desired brand image to others. The position the organization and its offerings have in the minds of customer's becomes source of sustainable competitive advantage when the desired brand image is consistent with the image customers perceive. Successful employee branding efforts also result in reduced employee turnover, enhanced employee satisfaction, higher levels of customer satisfaction and loyalty, and a favorable reputation among stakeholders.



## 2. OBJECTIVE

The objective of the present study is to give insight to the conceptualization of the term employee branding and its scenario in different companies.



### 3. RESEARCH METHODOLOGY

The purpose of this study is to find out how extensively employee branding is used among the organizations. In order to achieve the purpose of the study, secondary research was conducted. Various past literature reviews and research papers were scrutinized. Case study was also developed with reference to three companies. Research methodology adopted was conceptual and data collection was done through secondary data from books, literature reviews, journals, and websites.

#### Employee Branding Practices in Companies:

##### Employer brand: McDonald's

This case is about the employee branding strategies adopted by McDonald's Corporation, one of the largest fast food chains in the world. Since the 1980s, entry-level jobs at McDonald's had come to be associated with low-paying dead end jobs. The term 'McJobs' had become synonymous with low-prestige, low-benefit, no-future jobs in the service or retail sector particularly at fast food restaurants and retail stores. Though the term was coined to describe jobs at McDonald's, it was later used to refer to any low-status job where little training was required and workers' activities were strictly regulated. Because of its common usage, the term appeared in the online version of the Oxford English Dictionary (OED) in March 2001 and the Merriam-Webster Collegiate Dictionary (Merriam-Webster Dictionary) in 2003. The case discusses how McDonald's systemically tried to redefine the term 'McJobs' and improve its employer brand since the early 2000s. According to McDonald's, this negative interpretation of McJobs was not only inaccurate but also demeaning to the thousands of people working in the service sector. As employer branding was a critical management tool for companies to attract the right talent, McDonald's decided to try and revise the image associated with McJobs. This it did by taking various initiatives that also included advertising campaigns aimed at showcasing the benefits of working at McDonald's and bridging the divide between people's perceptions of the McJob and the real employment experience of people actually working for the fast-food chain. Experts felt that these were some of the best examples of a company successfully planning and implementing an employee branding strategy. However, the case also highlights the challenges faced by McDonald's in attracting new talent as derogatory comments continued to be made about McJobs and this could discourage prospective employees from taking up such jobs.

Issues:

Understand the importance of employer branding and its relationship with the ability of a company to attract talent.

Understand the issues and challenges in planning and implementing an employer branding initiative.

Understand the strategic role of Human Resource Department.

Evaluate the initiatives taken by McDonald's to bridge the gap between people's perceptions of McJobs and the real employment experiences of people actually working at its restaurants.

Explore strategies that McDonald could adopt in the future to enhance its employer brand.

### **Employer brand: TCS**

TCS brand symbolizes the tremendous opportunities provided to young professionals. It was listed among top ten IT companies globally in 2010. The employer branding is handled through a cross functional team by communication, HR branding and logistics specialists. TCS also has internal portal called as 'ultimatix'. TCS has an in-house communication tool which delivers daily news and information update to TCS user. This application is based on different platforms. It provides news & information on real-time basis. .

TCS provides following employee value proposition:

1. The most significant value proposition provided to employees at TCS is global exposure, where employees get opportunities to work on world-class projects. This opportunity paves way to understand, communicate and work with cross-cultural team. This actually acts as a frontier for TCS employees to learn and actuate the skills and also to be at par or excel beyond the limit.
2. The environment at TCS provides its employees to work freely in areas where the aptitude, talent and interests of the individuals are more focused upon. Freedom at work signifies that TCS provides ample opportunities for its employees to work across various industrial verticals, functional domains and also on technology platforms. This provides the favorable circumstances for the employees to explore their own domain/area which they best fit into.
3. Work-life balance –The most integral part is the work-life balance .At TCS they have a work-life balance program called as “maitree”, which is inclusive of various fun, cultural events and activities. It focuses on needs and aspirations of the employees but retains the “fun” element.

### **Employer brand: British Airways**

The importance given to employer branding by British Airways. The recruitment department of the airline uses 90 people and a mainframe computer to handle 72000 applications, 13000 job applicants and 169000 unsolicited inquiries each year. The

recruitment advertising or HR Marketing budget of the company is a mammoth \$40 million a year. Senior HR executives of British Airways took significant steps in the early 1990s to deal with the changes they had observed in the then labor market. Procuring skilled recruits in areas such as IT, finance and engineering was getting extremely difficult, leading to the creation of Recruitment marketing team at British Airways. The primary purpose of the Recruitment marketing team was to ensure consistency in the promotion of British Airways as a first choice employer as well as to extend the company's customer focused approach to the recruitment field.

British Airways identified two types of customers for recruitment – external applicants and line managers. The Recruitment marketing team drew up basic guidelines and targets for measuring the quantity, quality, timing and cost of services provided to each. It developed measures to reduce response time to telephone inquiries (i.e. answer calls within 20 seconds) to not just satisfy but delight customers and also undertook graduate recruitment (i.e. acknowledge receipt of candidate's application within 3 days). The airline developed four different training programs for line managers to help increase their understanding of the recruitment market place, emphasize the importance of equal opportunity in recruitment as well as improve their basic skills in assessment and selection. These training programs were crucial as British Airways was trying to meet the procurement needs of the airline on one hand while reducing the headcount in the recruitment department on the other.

To promote British Airways as a first choice employer, the airline worked with Barkers Advertising to develop a recruitment advertising style that was consistent with their advertising budget. British Airways wanted to convey a consistent corporate message while targeting different niches especially for positions that were difficult to fill. They made special efforts to maintain a delicate balance between projecting the genuine opportunities of working for a company of the size and diversity of British Airways and the tendency to paint too rosy a picture of the realities of life within a large corporation. Doing so was important because retaining talented employees in a diminishing labor market was more important than just attracting them.

### **Employer brand: Google**

Organization does not focus only on profits but its great problem is talent crunch and has to manage talent pool. For the benefit of it, limelight area has been shifted to employer branding along with profits. The study released by universium regarding global talent attraction index: "The World's Most Attractive Employers 2011" stated Google as the world's most attractive employer among the business category. (Source: The universium). Google has mastered the art of building image of best employer in the world. (Employer branding today) Mr. Manoj Varghese, (NASSCOM, 2006) Director at Human resources



department, Google told that employer branding is being widely adopted at his company. Employer branding at Google means customer experience, access to information, innovation, engineering/customer service excellence and freedom to their employees and potential hires. Employer branding activities adopted at Google are they work closely with educational institutions, encourage interns and sponsors, conducting coding programs, technical talks, sponsor research in specific areas and encourage creativity. Google also have “TIFG” (Thanks Google Its Friday) program for employees. Some of the programs conducted by Google are:

1. Indian code Jam during 2005 and 2006, which is a technical coding contest.
2. Essay writing competitions as for words. (Nasscom 2006)

Another interesting fact about Google is about its culture, very little is been driven from the top management, employees at the bottom level, drive the work. General directives are given from the top management, but if an employee finds any problem he/she can apply his skills /or use his way to solve. Freedom is provided to the employees and rather than following authoritarian style function, Google follows laissez faire style of leadership, which also makes it a most sought after company. It's crystal clear from the above facts, that how Google takes employer branding seriously and succeed in not only implementing it but also reaped enough results out of it.

### 3.1 Key takeouts:

- Every employer brand is an investment that should demonstrate a return comparable to other forms of business investment.
- Offer a strong value proposition to talent.
- Employer brands are at least as much about retention and engagement as they are about recruitment.
- Retain the core of the brand (if it is an MNC) and contextualize development.
- Keep the local context in mind: recognize, accept and adapt to the local culture.
- The employer brand should incorporate sensitivities of employees in foreign countries.
- The advertising of the employer and employee brand should be as synergistic and mutually reinforcing as possible.
- Exploring key aspects and dimensions of employee branding in manufacturing firms and businesses.
- Operationalizing employee branding metrics in relation to performance management.
- Encouraging communication and dialogue between HR and Marketing..
- The in-house talent so developed has to be properly retained.

- Branding is no more a term to be used only by marketing people at the organization, it has started having its core value among the HR professional also and has to be strongly imbibed into the bloodstream, of the organization.
- Employer branding has to rigorously practice by the organizations, rather than just being on the policies.
- Employer branding has to rigorously practice by the organizations, rather than just being on the policies.
- It is evident that, organizations have taken employer branding seriously. This fact has supported through case studies in our paper.
- During our research it was found that many organizations are reluctant to take strategic initiatives due to talent crunch.
- It is strongly suggested by us that to deal with this talent run situation, employers need to focus on branding or rather say crunch Branding.
- Giving a good salary package alone, will not ensure retention of talent within the organization. The need for the hour is to create an everlasting emotional link between the organization and the employees.
- Future research should focus on behavioral aspects of employee branding.
- Focused research should be carried out with HR managers, Marketing Managers and Branding experts.

#### 4. CONCLUSION

This report is an overview of conceptualization of employer branding. The employer branding concept can be especially valuable in the search for an organizing framework for strategic human resource management. Effective employee branding programs have several favorable consequences. First, they enable organizations and their offerings to be effectively positioned in the minds of customers and other organizational stakeholders. Effective employee branding programs also result in increased employee satisfaction and reduced staff turnover. Companies engaging in successful employee branding efforts are also likely to benefit from higher levels of customer satisfaction and loyalty, and a favorable overall reputation because the desired brand image is being consistently reflected by employees. It pulls in the right kind of candidates and spells out the company's expectations from them right at the beginning. Most significantly, it ensures that the best employees stay on longer, thus allowing the company to carry on its operations smoothly. Eventually, the key to a successful employer brand is to ensure that expectations are fully associated with the realities of working for the organization. Furthermore, the study shows that employer branding is a driver of an image of organization and also synergies and reinforce an organization.

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