CONCEPTUALISATION OF EMPLOYER BRANDING; AN INDIAN ORGANISATION PERSPECTIVE

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ABSTRACT

Employer brand is a complex and distinct combination of promises, opportunities and experience of current and potential employees of the company that creates a high pull for that employer to attract, engage and retain talent in a competitive talent land scope. This includes direct and indirect experiences of dealing with the firm. The employer brand builds an image confirming the organization as a good place to work. Today, an effective employer brand is essential for competitive advantage. 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. In Indian organizations, where products are getting commoditized, Employee Value Proposition (EVP) is the factor that can distinguish companies. Organizations are realizing that they should adopt internal branding strategies to leverage upon the employees. Major changes have made it imperative for corporations to do deep introspection as how to meet the challenges of competition and adopt appropriate employee driven strategies to create and sustain corporate advantage.

This paper gives some concept on employer branding and also examined the role of Employee Value Proposition to establish how Indian organizations with a positive corporate reputation can attract and retain employees.

Keywords: Employer branding, Branding.

INTRODUCTION

Branding was originally used to differentiate tangible products, but over the year it has been applied to differentiating people, places and firms (Peter, 1999). According to Aaker (1991), established brand is regarded as a critical means for differentiating between products and creating competitive advantage for organizations. Similarly, employer branding has become a new approach for gaining an edge in the competitive world. The term "employer brand" denotes what people currently associate with an organization. Employer branding refers to

the sum of an organization's efforts to communicate to existing and prospective staff what makes it a desirable place of work, and the active management of an organization's image as seen through the eyes of its associates and potential hires. According to Barrow and Mosley (2005), "employer branding is not only to transfer the message of the personality of a company as an employer of choice, but it has been used to adopt 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.

Ambler and Barrow (1960) have defined employer branding as the development and communication of an organization's culture as an employer in the market place. It is the package of functional, economic and psychological benefits provided by employment, and identified with the employing company. It convey 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.

LITERATURE REVIEW

The difficulty of investigating this subject appeared in the inconsistency in the amount of literature. In this case the author was able to find a vast amount of literature and research on staff turnover starting from as early as the 1950s (March and Simon, 1958). However employer branding being a rather new concept not much academic literature can be found. The main research and theoretical analysis is generated by Richard Mosley (1990), who originally created the concept. In addition most of the research focusing on employer branding is based on the work of Backhaus and Tikoo (2004), Barrow and Mosley (2005) and Moroko and Uncles (2008; 2009). The author found that the literature is rather simplistic in its views all literature and case studies found have only one message: "employer branding is good". Hence the author has not been able to find much literature on negative impacts or research proving otherwise.

Conceptual and Theoretical Foundation of Employment Branding

Employer branding, the latest buzzword to describe perceptions of an organization as an employer is being heralded in areas of the press as the answer to attracting and retaining the right talent in an increasingly competitive environment. It is not a logo, letter head or a clever advertisement but rather the communication of an organization's personality and unwritten promises about its culture to potential hires. It is the combination of factors that differentiate the organization as an employer and shape the perceptions of past, current and future employees. Brands are among a firm's most valuable assets and as a result brand management is a key activity in many organizations. Although organizations commonly focus their branding efforts towards developing product and corporate brands, branding can also be used in the area of human resource management. The application of branding principles to human resource management has been termed "Employer Branding". Increasingly firms are using employer branding to attract recruits and assure that current employees are engaged in the culture and strategy of the organization. Employer branding is defined as "a targeted, long term strategy to manage the awareness and perceptions of employees and related stakeholders with regards to a particular firm"(Sullivan 2004). The

employer brand puts forth an image showing the organization as a good place to work (Sullivan, 2004).

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, 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).According to Estis.R (2008), goals for Employer branding for attracting and retaining Generation Next are:

- Establish an image of the employment experience.

- Create synergy with consumer brand; align promise to customer with promise to employee.

- Clearly state "what's in it for me" to potential applicants.

- Entice the right candidates to apply for the job.

According to Berthon, P.Ewing.M and Hah, L.L (2005) Captivating company: dimensions of attractiveness in Employer branding, International Journal of Advertising, 24(2), 151-172.

Employer Attractiveness Dimensions are

- Interest Value: The extent to which an individual is attracted to an Employer because of the excitement and creativity of the work environment.

- Social Value: Attraction based on a collegial work environment with good team atmosphere.

- Economic Value: Attraction based on salary and benefits.

- Development Value: Based on recognition of work and career enhancing opportunities

- Application Value: The employees' ability to value what they have learnt to teach others and interact with customers in a way that is positive and humanitarian.

OBJECTIVE OF THE STUDY

Employer branding is a compelling reality and not a fad, its principles have always been in existence and practiced by successful organizations over the years. Through the papers the author shall explore the ways the companies in India have formally embraced the idea of Employer branding and have embarked on the journey to deploy it. The study shall further reveal the transformation in the role of HR for building a strong Employer brand. It shall highlight the role of 'Employees' rather than the role of 'Technology' in knowledge-based organizations. The study shall further explore the role of knowledge-sharing culture, open

and transparent communication to gain an organizational position in the minds of internal customers.

METHODOLOGY

In order to make this article a meaningful one, the author has required a review of available related literatures and only secondary data were collected from related journals, books and publications.

Why Employer Branding important for HR?

In Research Insight Employer branding: fad or the future of HR?

Dr Shirley Jenner and Stephen Taylor of Manchester Metropolitan University Business School suggest there are four main reasons why the concept of employer branding has become prominent in recent years. They identify these as:

- Brand power
- HR's search for credibility
- Employee engagement
- Prevailing labour market conditions.

Jenner and Taylor explain their importance in the following extracts from the Research Insight.

Brand power

The past 20 years have seen the rise of the brand as a central concept in organizational and social life. Branding underpins a growing, influential and profitable reputation management, PR, consultancy and recruitment advertising industry. The past decade has seen unprecedented growth in the importance of corporate social responsibility (CSR) for investors, employees and other stakeholders.

HR search for credibility

HR professionals continue in the search for credibility and strategic influence. Embracing the language and conceptual tools of brand power seems an obvious choice. This direction reflects continuity with earlier iterations of HR, for example with organizational development and culture change.

Employee engagement

Recent years have seen an increased interest in promoting employee engagement. This includes attempts to recruit, socialize and retain a committed workforce. From a branding perspective, the recruitment proposition forms the basis for workplace satisfaction and identification with organizational goals and values.

Labour market conditions

The final driver identified by Jenner and Taylor was prevailing labour market conditions. At the time of writing (2007) they pointed out that for an extended period of time unemployment remained low and skills shortages continued. Tight labour market conditions

were combined with a tough trading environment. Employers were thus obliged to compete more fiercely with one another to recruit and retain effective staff, while also being severely constrained in the extent to which they could pay higher salaries in order to do so. A strong employer brand was being promoted as the key to winning this 'war for talent' by establishing organizations' unique selling point in employment terms.

Employer Branding In India – A Survey Report

Is Employer Branding widely prevalent in the Indian Industry? What are organizations' attitudes and preparedness towards Employer Branding? What are the challenges that they face in its implementation?

In a survey conducted by TJinsite the research site of TimesJobs.com it is revealed that Employer Branding is not very prevalent in the Indian industry. However, they do believe that companies with strong employer brands can potentially reduce the cost of employee acquisition, improve employee relations and also helps increase employee retention (Table-1).

Table 1. A Survey Report on Indian Industry

Has your company developed a clear employer branding strategy?	
➢ Yes, we have a clear strategy	24%
➢ Yes, it can be further developed	26%
➢ No, but we are working on it	37%
➢ No, we don't have any strategy	07%

The Latest TJinsite Research Report throws light on this fact - Overall, only 24% say that they have a clear Employer Branding strategy. More than 40% claim that, yes, they have a strategy, but it could be developed further; and another 26% who say that do not have one, but they are working on it; which could be interpreted as 'such a strategy is not priority, we have more pressing matters on our hands!' A lack of vision and clarity is seen as the primary challenge in realizing Employer Branding. This is strongly felt in the BFSI and the BPO sectors, where 75% state this as a problem.

Another 40% state the lack of senior management engagement as a challenge, which is again symptomatic of the lack of vision on the organization's part. All channels from print to online job portals are mentioned by 15% each of the organizations as the branding channels delivering the best results. The BFSI and large organizations, with strength of over 1000 employees are inclined towards job portals being the most effective (22% of each of these types, vis-a-vis an overall average of 16%

The case for taking Employer Branding seriously is compelling. Currently, it would appear that not enough criticality or importance is being attributed to this process. In an economic climate where business is tough there is pressure to cut costs and increase productivity. This makes the need to get the right people in the right job even more crucial. Employees who have the right skills, experience and knowledge, in relation to the critical areas of a business to drive growth, become strategically important. Employer branding then becomes the only

strategy that will help position the organization as the most attractive one in the corporate ecosystem.

An attractive employer can create for employees an illusion that their choices are limited outside of the organization, constantly maintaining an image of being the most desirable employer, giving the right reasons or incentives for their top performers to stay.

Employer Branding On Indian Companies

Employer–employee relationships have undergone a paradigm shift over the past few decades. The war for talent has meant companies are jostling for space in an increasingly crowded job market where skill is at a premium. A successful employer branding strategy can have a far reaching impact in increasing the number and quality of applicants. With companies like Infosys, TCS, Tata Steel , CEAT figuring prominently in establishing their brand as a best place for working and also attracting the best talents across the world , one can safely surmise that wooing talent is the new battle to be fought. This can happen only when there is a perception that their workplace is attractive. Infosys and the companies seek to do this by a strong learning culture and leadership development strategy, where each employee has a career roadmap to follow.

Employer brand: Infosys

At a time when organizations are debating the strategic importance of their human resources, Infosys recognizes that the key role of its human assets can sustain and increase its competitiveness. With changing employee demographics in the world, it has become essential to source talent where it is cost effective and deploys it where it creates the maximum value. To achieve this objective, Infosys has developed an innovative workforce-management strategy 'the Global Talent Program'. This is the largest sustained effort by any company to recruit from campuses outside of India and develop the skills of a global workforce through training assignments in India. After training, the trained personnel are deployed by Infosys in their home countries. Increased profitability, reduced cost, increased market share, improved customer service, higher stock value, increased productivity and higher retention rates led to the winning the Optimas Award in the GLOBAL outlook category for 2007.In addition to this, Infosys keeps its employees engaged and enthusiastic in the demanding 24*7 work environment necessary to serve its global clientele. To meet the global challenges and also to reduce attrition rate, Infosys introduced a wide variety of programs that provides the best aspects of universities but with professionalism that a workplace required. These programs have helped stem attrition, which is well below the industry average and have made Infosys a top employer of choice. Business today and its knowledge partner Mercer Human Resource Consulting rated Infosys the Best Company to Work for In India" in 2006, based on a methodology built on four quadrants of HR metrics, employee satisfaction, perceptions of key stakeholders, HR processes and policies.

Source:http://www.infosys.com/HCM/whitepapers/Documents/managingtalentflatworld.pd

Employer brand: Tata Consultancy Services (TCS)

The work environment at TCS is built around the belief of growth beyond boundaries. Some of the critical elements that define the work culture of TCS are global exposure, cross-

domain experience, and work life balance. Each of these elements goes much deeper than what it ostensibly conveys.

1. TCS Value proposition

The TCS employer brand positioning builds on its strengths and it communicates that TCS as an organization that offers its employees a complete Global IT Career by highlighting the three main value propositions:

(a) Global exposure - Global exposure at TCS extends beyond geographical boundaries. This means working on world class projects on a global scale and exploring cutting edge technologies, fresh out of the world renowned research labs. The opportunity to understand, interact, and work with people from cultures all over the world creates kaleidoscopic avenues for learning that propel the employees to be at par the best in the world.

(b) Freedom to work - TCS has established an environment that focuses on individual aptitude, talent, and interests. As a proven practice, the company promotes the employees cross domain experience. It provides the employees with opportunities to function across different industry verticals, service practices, and functional domains as well as varied technology platforms.

(c) Work life balance - TCS has introduced many programs as per the needs and aspirations of our employees while retaining fun as a key element. The company understands the need of an increased flexibility in order to navigate the different spheres of life.

Source: http://www.careers.tcs.com/CareersDesign/Jsps/WorkingatTCSValue.jsp

Employer brand: Tata Steel

India's oldest and most respected corporate brand 'TATA' at present stands 65th in the world brand valuation league as per Brand Finance Global 500 March 2010 report. A series of international acquisitions and 65 percent of group's revenues drawn from outside India has helped the 140 year old group to achieve a major international reach today. Tata has many different markets and many different types of customers. However, customer's images of Tata brand are remarkably similar. Indian consumers see Tata brand as trustworthy, safe, reliable, and provider for value for money. The company has always developed a reputation as an exciting place to work in. The employer brand is much more tightly focused and allows everyone, from top executives to staff to workers to feel that they are working in a comfortable environment where growth and development always exist. The Tata Steel group believes that people are its key assets and value creation for the company depends principally on their professional and personal wellbeing. Adhering to the adage "successful individuals create a successful team", Tata Steel has always given priority to the people, encouraging them to take initiatives and look beyond the obvious. The organization provides a fertile ground for the personal and individual growth of each member in its large and multicultural family. For these initiatives, Asia's Best Employer Brand Awards 2010 conferred the title 'CEO with HR Orientation' on HM Nerurkar, managing director, Tata Steel, at a recent ceremony held at Suntec, Singapore. Additionally, the 'HR Leadership Award' was also conferred on Radhakrishnan Nair, chief human resource officer (CHRO).

Source: http://www.tata.com/article.aspx?artid=60QZ4Ku1XAc=

CONCLUSION

Today, an effective employer brand is essential for gaining competitive advantage. Increasingly, Indian corporations are becoming intentionally strategic to utilize the employer brand to attract and retain talent for the expansion and growth. The increasing focus on competitive advantage is leading many Indian firms to rethink their employer brands. A powerful employer brand has the capacity to attract and retain talent and represent quality to its customers, with the goal of gaining global recognition in a sustainable manner. The right kind of employer branding has also plenty of advantages as it provides a personality to the company and helps structure recruitment. It pulls in the right kind of candidates and spells out the company's expectations from them right at the beginning. Most importantly, it ensures that the best employees stay on longer, thus allowing the company to carry on its operations smoothly. Ultimately, the key to a successful employer brand is to ensure that expectations are fully aligned with the realities of working for the organization.

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