

# EMPLOYER BRANDING: A STRATEGIC TOOL FOR HR

Ritu Yadav

**Abstract**— For efficiently managing the human resource, an organization needs to frame effective strategies. Employer branding strategies are the result of organizational need to attract and manage talent in an organization. It is positioning themselves in the market as an attractive employer to attract the potential talent and to retain and manage the existing talent. This paper deals with the growing concept of employer branding and its essence for a business along with its future scope. It also focuses on the strategies for an HR manager to position itself as a competent employer brand. This study is based on the conceptual data available in journals, articles, books and other available sources. This paper suggested some strategies for creating itself as a good and attractive employer brand. War for the talent in the labor market and problem of employees' performance sustainability act as motivator for the study.

**Index Terms**—Branding, Employer Branding, Prospects

## I. INTRODUCTION

In today's challenging environment, HR manager faces the problem of attracting competent persons and to retaining them within the organization for timely obtaining the organizational goals. For handling this problem, there is a great need for an employer to establish its organization as a great and attractive place to work. Now, employees are becoming more demanding and wants to be part of such an organization where they can use their caliber effectively and efficiently because of this reason during the recruitment phase they look at what an organization can give them as well as what they can do for an organization. So, the role of HR department becomes very crucial. In this increasingly competitive economic and business climate businessmen must focus on their collective efforts for developing their employer brand to attract, engage and retain talent for gaining competitive advantage. In such situations employer branding helps the organization to deal with the challenging environment. Internally it helps the organization to retain, satisfy the existing talent and enhancing organizational commitment. Externally, it provides an organization a strong identity and competitive advantage to attract the potential talent, provides reputation in the society, establishing global image etc.

The term employer branding firstly introduced by Tim Ambler and Simon Barrow in 1990 and publicly defined by

them in their paper 'The Employer Brand' in 1996 as "the package of functional, economic and psychological benefits provided by employment, and identified with the employing company". It is the promotion of an organization's culture as an employer in the marketplace. The on-going employer and employee relationship provides a series of exchanges of mutual benefit and it also act as an integral part of the company's total business network. According to (Namdeo and Ghai, 2012), Employer branding conveys the "value proposition". Employee value proposition is the totality of the organizational culture, system, facilities, benefits that an organization provide to its employees. Employer branding provides opportunity to the company to differentiate itself in the labor market by creating its branded factors as its USP. It results employees satisfaction and happiness, retention, productivity and efficiency. Sullivan (2004), defined employer branding "as 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 shows the organization as a good place to work and employer branding strategies tuned to drive recruitment, retention, and productivity management efforts.

## II. CONCEPTUAL FRAMEWORK

Branding is used to differentiate the products and employer branding is used to differentiating the people. Kotler (2000) defined the term brand "as a name, symbol, sign, term, design or a combination of them which is intended to identify the goods and services of one seller or a group of seller and to differentiate them from those of competitors". It is essentially a seller's promise to deliver a specific set of features, benefits and service consistently to the buyers. The best brand conveys a warranty of quality. When this concept of branding used in HR to provide unique identity to an employer then it is known as employer branding.

According to CIPD (2007), employer branding can be described as how an organization markets what it has to offer both potential and existing employees. Armstrong (2006) also contends that employer branding is the creation of a brand image of the organization for prospective employees. It will be influenced by the reputation of the organization as a business or provider of services as well as its reputation as an employer.

(Newell & Dopson, 1996; Hendry & Jenkins, 1997) stated that employer brand includes both tangible and intangible features. Tangible factors include salary, rewards and benefits, and intangible factors include organization's culture, values, management style and opportunities for employee learning, development and recognition etc.

Bonaiuto et.al. (2013), in their study find out that a number of brand-identity attributes are crucial factors for attracting

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**Ritu Yadav**, Research Scholar, M.D.U., Rohtak, India

talented candidates. These are capacity to innovate, value the diversity, value abilities and knowledge, offer different careers and ensure freedom of opinion. The last three brand attributes in particular have been more valued in recent years than in the past. Additional to these factors other brand attributes for becoming an ideal employer and attracting future potential leaders include having an ethically responsible profile, promoting the well-being of employees, ensuring a good climate and stimulating motivation and creativity. Finally, less symbolic brand attributes include rewards, technical competence of the company and flexible hours etc.

Evans Sokro(2012), investigate whether employers use branding in their organization for attracting and retaining the talent within the organization. It was found that brand of employer have a significant relation with the attraction and retention in the organization in banking sector. Good working conditions, means of career development, core values of the organization are most preferable reasons to work with their organization. The reasons to stay with the organization are opportunity for growth, job security, company image, performance recognition etc.

Kristin Backhaus and Surinder Tikoo (2004) explained the employer branding and its determinants model. Potential employees develop an employer brand image from the brand associations that is an outcome of a firm’s employer branding. As prospective employees also develop employer brand associations based on information sources that are not employer-controlled. Good employer image result in employer attraction. Employer branding positively impacts organizational identity and organizational culture that contribute brand loyalty. Organisational culture also gives feedback to employer brand. Increase in Employer brand loyalty positively influences the employee productivity.

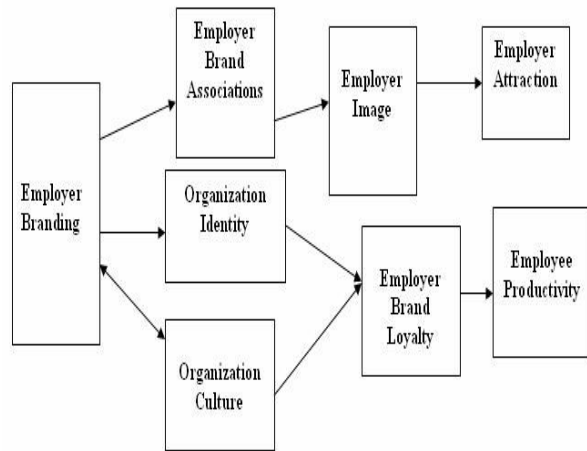


Figure: Employer branding framework

Source:-Conceptualizing and researching employer branding by Kristin Backhaus and SurinderTikoo(2004)

According to Dawn and Biswas (2010) employer branding needs both external and internal branding. External Branding refers to branding which is done by using external sources and which may (or may not) require some investment in monetary or other forms. External employer branding can be done through job sites, banners, organizing seminar, presentation, corporate social responsibility (CSR), public events,

newspapers and emails etc. Internal branding is concerned with the current and potential employees’ information about the employment experience and what is expected of them. Internal employer branding tactics includes front office stays interview, exit interview, employees’ satisfaction, employees’ participation etc.

III. SIGNIFICANCE OF EMPLOYER BRANDING FOR THE ORGANISATIONAL EFFECTIVENESS

**Employees’ attraction:** Employer branding presents an organisation as an attractive firm and today employees are choosing to work for reputable organizations. They consider employers who value their employees and treat them fairly.

**Employees’ retention and loyalty:** 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 that also results loyalty.

**Increased Productivity and Profitability:** Hiring and retaining top performers is essential for growth and to maintain a competitive edge. Employees who have the right skills, experience and knowledge, in relation to the critical areas of a business to drive growth, are strategically important. Efficient workforce reduce cost of production, enhances productivity and profitability.

**Lower Recruitment Costs:** Being an attractive employer provides a company or organization more bargaining power, as employees will want to work for them more than anyone else, even those that have rare or most in demand skills irrespective of salary levels. Good employer brand results decrease in recruitment cost.

**Ensured long term competitiveness:** Employer branding provide an organisation a strong identity that differentiate it from other organisations. Employer branding based on the employee value proposition (EVP) that shows the work culture of organisation, attitude of employees’, career development opportunities etc. that results enhancement of the organisation’s competitiveness.

Employer branding also helps in

- Increased level of staff engagement.
- Minimized loss of talented employees.
- Employees recommending organization as a preferred- place to work.
- Maintenance of core competencies.
- Employees committed to organizational goals.
- Shorter Recruitment time.
- Improved employee relations.
- Decreased time from hire to productivity

IV. EMPLOYER BRANDING PROSPECTS: AN EMERGING PROFILE

Survey conducted by TJinsite (2012) research site of Times Job.com in Indian industries on whether their organization have some employer branding strategies or not and found that 24% organization said that yes, they have a clear employer brand strategy, 26% responded yes, it can be further developed. 37% respondents responded no, but they are working on it and other organization replied we don’t have any strategy.

### Employer branding and some Indian organizations

Talent is becoming premium in the market. So, it is necessary to establish the organization as an attractive workplace. Because of that Indian organizations realized the need to establish their organization as a great place to work. Now they are focusing on creating effective learning culture, providing career growth opportunities, improving industrial relations etc. Some policies for employer branding by Indian organizations are given below:-

#### 4.1 Employer branding- Tata Consultancy Services Limited-

TCS is a [multinational](#) information technology (IT) company and won 'Recruiting and Staffing Industry Leader of the Year' and 'Best Employer Brand' awards at the World HRD Congress' annual meet in 2012. TCS is the largest Asia based provider of business process outsourcing services. The TCS employer brand positioning builds 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:-TCS provide its employees global exposure by working on world class projects. This provides the opportunities to the workers to understand interact and work with the people from cultures all over the world.
- b. Freedom to work TCS: - TCS has established the environment that focuses on individual aptitude, talent and interest.
- c. Work life balances: -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.

#### 4.2 Employer branding: WIPRO

Wipro Limited as of 2012 is the second largest IT services company. Abhijit Bhaduri (2013)*Chief Learning Officer & Head of CHRD, Wipro Technologies* talked about the following strategies for employer branding:-

- Brand building is long term option
- Have a physical presence strategy
- Craft a social media policy
- Go visual
- Leverage internship

#### 4.3 Employer brand: INFOSYS

Infosys Limited considered global leader in the "next generation" of IT and consulting services. Infosys committed following strategies for the growth of their employees.

- We're with you, every step of the way: -We are serious about your growth and we have a plan for you, with Infosys' Career Path Architecture. This unique model details organizational roles and career streams, as well as mechanisms for career growth. It provides guidelines for vertical and horizontal movements - within and across career streams.
- Your virtual friend, philosopher and guide: If you have a question about your career, we always have an answer. At our Virtual Career Center, we help you decide upon a course of action. Empowerment and enlightenment are just a click away.

- Inspiration, education, and recognition- our Career Development Programs have it all: encourage workers for taking challenges, encourage growth programs for employees' development and provide them opportunities for fulfilling their dreams.

Today's young generation brings a **brand as new set of values** to the workplace. The emerging workforce is not just looking for a high salary, or a successful career; they want more. They want **purpose**. They want to know: "Why should I work here, how I fits into its environment, where I want to see myself into future and why does this company do what it does?" Their careers are an important part of their identity and consequently an integral part of their life in general. Now money is not enough to satisfy them.

Thus, the concept of employer branding is becoming popular day by day. In this challenging economic climate where business is tough there is pressure to cut costs and increase productivity to stay in the market. This makes the need to get the right people in the right job i.e. right sizing 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. Now employer branding established itself as a separate and important place among various HR functions. It is not the sole responsibility of HR manager but top management should also devote their time for its growth.

### V. STRATEGIES FOR POSITIONING EMPLOYER BRANDING:-

There are some strategies described below that can help to create or maintain the good employer brand.

**5.1 Communicating EVP strategy:-**Proper communication techniques should be used for attracting potential talent and conveying organizational performance to all the stakeholders. For this purpose sufficient information related to the organization working environment, compensation and benefits, employee's welfare schemes, company's culture and environment information should be posted at company's web sites. Along with organization's presence should be reminded with the help of Local newspapers, periodicals, and industry trades etc.

**5.2 Fulfilling the commitments:-** it is not enough to attract the potential talent within the organization. It has to retain the employees within the organization. This is possible only when an organization fulfill its promises made during the time of appointments. So an organization should be very alert during making the commitments because it is two sided sword that can harm an organization adversely.

**5.3 Focus on continuous improvement:-**When an organisation wants to maintain the trust, then there is a great need of consistent and continuous improvement. If an organisation does not continuously improve its work environment strategies, compensation technique, communication media according to the employees need and along with the competitors then that organization can be obsolete.

**5.4 Organizing proper induction programs:-**induction programs organized within the organization for new employees to make them familiar with the organization. The induction programs should be made interactive, creative, and

innovative. Along with proper and timely training and development facilities should be provided with in the organization. This will enhance the employee's satisfaction and create good employer brand.

**5.5 Differentiation strategy:-**Successful brands constantly need to differentiate themselves. From an employer brand perspective, what is it about the organisation that makes it different from or better than its nearest competitors? A company should create its USP in the talent market.

**5.6 Viral marketing strategy:-** viral marketing is a marketing concept where consumers tell stories about the products to their friends, family members, even to the strangers. Similarly in an organization employees spread the word about the great management practices to their families, friends, co-workers, and even strangers on airplanes, at places like professional meetings and social settings. Employees spreading the word about your firm being a good place to work has a significantly higher impact than the firm spreading the word that it is a great place to work.

There are some other strategies for positioning the brand in the market is to invite employees to join the organizational club, fulfilling corporate social responsibility, appoint a competent spokesperson for organization etc.

### CONCLUSION

This paper highlighted the role of employer branding in organizational success. Today hardly anything goes unbranded. So, there is a great need to build and manage an employment brand as a powerful tool that can be used to add value to your organization through HR. Employer branding increases the quality of employees, help to inspire them to become more productive, and open opportunities to the company in the marketplace that might not have been open before. Ignorance of the importance and need of employer branding can become a disaster for the organization. Thus employer branding is a key to success for an organization and HR manager along with top management should work for the development of the organization employer brand. A strong employer brand works as an intangible asset for an organization that creates a better applicants pool and also managing them in the organization.

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