
Employer Branding: A Study of Relevance and Scope

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Attracting talent has always been a challenge for corporates. With the growing availability of job options the 'War for talent' has resulted in greater competition among corporates who are in search of talent. This has led to various initiatives being taken by them to present themselves as the best employer. Tim Ambler and Simon Barrow (1996) refer to employer branding in terms of benefits, calling it 'the packages of functional, economic and psychological benefits provided by employment and identified with the employing company. Backhaus & Tikoo (2004) defined Employer branding as differentiation of a firm's characteristics as an employer from those of its competitors by highlighting the unique aspects of the firm's employment offerings or environment. Sitanshu and Byomakesh (2011) define employer branding as the image of the firm, with the purpose of generating its identity in job seekers as a knowledge based organization. Priyadasrshi P (2011) propounded that employer branding is being increasingly used for attracting prospective employees.

Objective: Competitive pressures on attracting the best challenge has resulted in making 'Employer Branding' the new route towards recruiting and retaining the best possible human talent within an employment environment. It also has the potential to be a valuable concept for both managers and scholars. Managers can use employer branding as an umbrella under which they can channel different employee recruitment and retention activities into a coordinated human resource strategy. Scholars and academicians can be instrumental in formulating a model employer branding framework for recruiting prospective talents.

Research Gaps : The employer branding concept can be especially valuable in the search for organizing framework for strategic human resource management.

Relevance of the Study : This Study attempts to conduct a preliminary research of current trends of employer branding initiatives reflected through recruitment advertisements in a leading newspaper's recruitment supplement Ascent. A total no of 80 job advertisements of companies appearing in all the issues of Ascent during the month of June 2012 has been analysed. The trend shows significant use of employer branding initiative. In addition an attempt to carry out and present a comprehensive literature review so as to bring out the status of earlier work done on the issue has been made. The findings of this paper further establishes a strong foundation for the need of a structured study to give better insight into the subject and facilitate its gainful use by the corporates. An attempt to study the dynamics of employer branding can help companies to develop an employer branding framework for attracting prospective talent and also significantly substantiate employer branding's role in providing an enterprise a competitive edge vis-à-vis the corporate brand. The paper suggests the need of a structured study 'on knowing the perceptions of job aspirants about the most valued and relied upon characteristics of employer branding.

INTRODUCTION

Attracting and retaining the right employees can make a significant impact on an organization's financial performance. In a dynamic business environment hiring and retaining of talent is a real challenge for companies. Employers are fighting a 'war for talent' that continually challenges them to rethink recruitment tactics. This term 'War for talent' was first used by McKinsey consultants in the mid-1990s. The term referred to the measures that companies took to fight for recruiting and retaining talented employees; as there was a global mismatch between talent supply and demand. In 2007, 'The Economist' reported that intangible assets have climbed from representing 20 % of the value of companies in the S&P 500 index in 1980 to around 70% . Since then an ideological shift from capital access and management to talent access and management has been continuously growing.

In a competitive business environment organizations must intelligently market themselves while attracting the right candidates. Many successful organizations that have influenced the way we live today such as Google and Microsoft have proven that their strength lies in their intellectual property, thus in their people. In Indian companies like those of Tata's and Birla's have something unique which attracts potential talents to join them. Hence it is important to elicit the interesting features attracting prospective employees towards any organization. This concept not only covers corporate brand image but has more to add to the internal and external marketing of

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employers quality practices, designed and adopted for induction and retention of prospective employees i.e. the Human Resource.

REVIEW OF LITERATURE

An employer brand of an organization is its unique identity as an employer. There are various factors responsible for building of a brand. The perception of employees within the organization as well as the aspirants outside depends on considerations not only varying in nature but also on the emphasis given there-upon. Those with a strong employment brand benefit from a number of advantages for e.g. a higher quality candidate pool, more candidates who match the role requirements, meet or exceed the expectations of the hiring manager, and relate to the organization's culture, increased attraction and closing of passive candidates, a decreased application-to-hire ratio, a lower rate of offer rejection, decreased time-to-fill and cost-per-hire ratios, lower turnover, a greater number of employee referrals, a greater likelihood for employees to be brand ambassadors for the organization and higher levels of employee engagement(Gallup.com,2012).

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. They will encourage others to apply by talking to them about the employment promise and authentic experience it represents.

The value of the employer branding concept for management scholars parallels the value it has for managers. Management scholars can use employer branding to integrate many different but related constructs that have been discussed in the recruiting, selection, and retention literatures under one umbrella.

Backhaus,K. and Tikoo,S.(2004) suggested a model for employer branding(EB) in which EB has been linked with Employer brand association, employer image and subsequently leading to employer attraction. This model further suggests employer brand loyalty as a function of organization identity and organizational culture which ultimately lead to enhanced employee productivity (as shown in fig. 1)

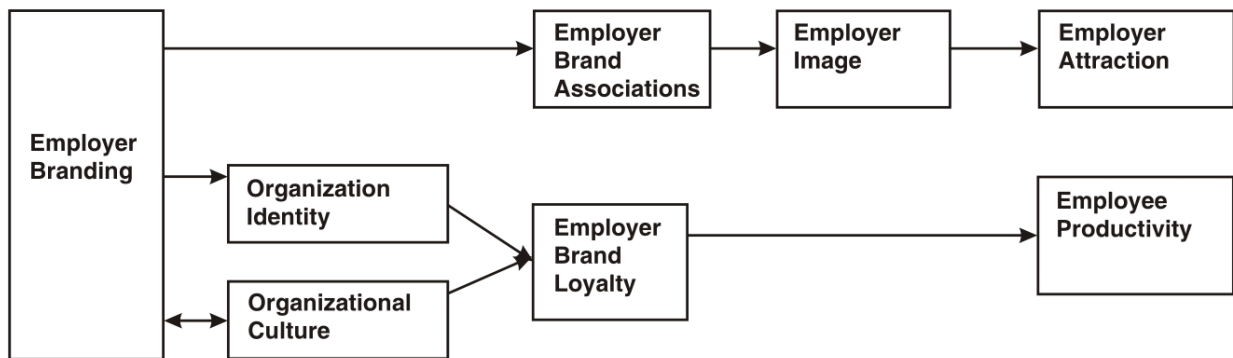


Figure 1 Employer branding framework Backhaus,K. and Tikoo,S,(2004)

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One of the best understanding of employer branding has been -The image of the organization as a great place to work in the minds of current employees and key stakeholders in the external market (active and passive candidates, clients, customers and other key stakeholders). Minchington (2005)

Also, Human resource practitioner literature describes employer branding as a three-step process. First, a firm develops the “value proposition” that is to be embodied in the brand. Using information about the organization's culture, management style, qualities of current employees, current employment image, and impressions of product or service quality managers develop a concept of what particular value their company offers employees (Sullivan, 2002). Intended to be a true representation of what the firm offers to its employees, the value proposition provides the central message that is conveyed by the brand (Eisenberg et al., 2001).

Following the development of the value proposition, the firm markets the value proposition to its targeted potential employees, recruiting agencies, placement counselors and the like. The next step is external marketing of the employer brand and is designed primarily to attract the target population, as well as to support and enhance the product or corporate brands. It is fundamental to employer branding that the employer brand be consistent with all other branding efforts of the firm (Sullivan, 1999). Internal marketing of the employer brand is the third aspect of employer branding. This is important because it carries the brand “promise” made to recruits into the firm and incorporates it as part of the organizational culture (Frook, 2001). The goal of internal marketing, also known as internal branding, is to develop a workforce that is committed to the set of values and organizational goals established by the firm.

Table 1: Review of Selected Research

S.No	Authors	Topic	Contribution
1.	Tobias Schlager, Mareike Bodderas, Peter Maas, Joël Luc Cachelin, (2011)	The influence of the employer brand on employee attitudes relevant for service branding: an empirical investigation	This paper highlights the influence of the perceived employer brand on employees' attitudes, which is especially important in service settings.
2.	Daniel Gomes, José Neves(2011)	Organizational attractiveness and prospective applicants' intentions to apply	The study clarifies the role of organizational attractiveness in the process that leads to intention to apply for a job vacancy
3.	Das. S. S, and Debata, B.(2011)	Employer Branding: A strategy for Attracting and Retaining Talents	This paper concludes that a strong employer brand is regarded as the most powerful and valuable asset a business can possess in today's tough competitive employment market. It further defines employer branding as the image of the firm, with the purpose of generating its identity in job seekers as a knowledge based organization. It also presents employer branding as a strategy for the organization to attract and retain talents.
4.	Axinia Elena (2011)	What is the future of Employer Branding through Social Media: A Delphi study among Academics	This paper judiciously uses Delphi technique for explaining view formulation on any new subject of study. The idea put forth in this paper is that employer branding has significant impact in the social media.
5.	Chaudhuri, A., Holbrook, M.B.(2011)	Employer brand framework For ict b2b multinationals Case study :Ericsson AB	This paper proposes an Employer Branding framework with respect to information and communication technology industry and its significance in the present context

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S.No	Authors	Topic	Contribution
6.	Kuppelwieser, Volker. G, Grefrath, Robert and Dziuk, Agathe (2011)	A Classification of Brand Pride Using Trust and Commitment	This paper classifies a specific form of pride, i.e. brand pride, using the constructs trust and commitment for establishing the importance brand value.
7.	Kalajian, Maral (2010)	Exploring the relationship between corporate, internal and employer branding	The analysis of the literature reveals and concludes a degree of synergy and integration between employer branding and internal branding. It also facilitates a comprehensive understanding of the implications of the two concepts for branding and integrated corporate brand management.
8.	Ceridwyn King, Debra Grace, (2010)	Building and measuring employee-based brand equity	The research indicates and extents connectionist cognitive psychology view of brand equity to incorporate a contextual/organisation cultural element; and reflecting the perceptions of employees, who are currently under- represented in the internal brand management literature.
9.	Lara Moroko and Uncles Mark D(2008)	Characteristics of successful employer brands	The researched literature proposed that researchers and firms should assess employer brand success according to the typology, using commonly collected human resources metrics. More generally, a case is established for studying employer branding as a context distinct from consumer and corporate branding and conceptualizing the employment experience of a firm as a product produced by the culture, policies and processes of the firm. (Proposed a metrics based on : Attractive, Unattractive, Accurate and Aspirational)
10.	Jean Cushen (2009)	Branding employees	The novelty of this paper comes firstly from the account of a tactical normative development and secondly from the demonstration of the value of considering the role and impact of normative control from a variety of theoretical perspectives. This is because normative control practices are generated by optimists who assume that "effective" normative practices can be the dominant factor shaping the employment experience overcoming all challenges.
11.	Backhaus, K. and Tikoo, S. (2004)	Conceptualizing and researching employer branding.	The paper elicits the significance of employer branding concept especially valuable in the search for an organizing framework for strategic human resource management.
12.	Ambler, T and Barrow, S. (1996),	The employer brand	This academic paper was the first published attempt to 'test the application of brand management techniques to human resource management'. Within this paper, Simon Barrow and Tim Ambler defined the employer brand as: the package of functional, economic and psychological benefits provided by employment, and identified with the employing company
13.	Barrow, S. (1990),	Turning recruitment advertising into a competitive weapon	The term 'employer brand' was first publicly introduced to a management audience in 1990 by Simon Barrow, chairman of People in Business (Paper delivered at the CIPD Annual Conference, Harrogate, UK)

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The literature review of some relevant literatures (as shown in table 1) suggests and elicits the significance of employer branding in contemporary business organisations. The term 'employer brand' was first publicly introduced to a management audience in 1990 by Simon Barrow, chairman of People in Business (Paper delivered at the CIPD Annual Conference, Harrogate, UK). The further researches substantiate employer branding's influence on employee attitude, Tobias Schlager et al.(2011) Its instrumental role in establishing attractiveness towards any employer, Daniel Gomes and José Neves (2011) Its importance in developing powerful business units, Das. S. S and Debata, B(2011). Some more researches suggested metrics based evaluation of employer branding Lara Moroko and Uncles Mark D,(2008). Another study elucidates the importance of normative control approach („a locus of shared values and moral involvement in which control rests on shaping workers' identities, emotions, attitudes and beliefs”) for employer branding. Kunda and Ailon-Souday(2005) which is an important contribution in the study of employer branding. Another conceptual paper proposes a new frame work for employer branding by establishing relationship between employer and internal branding. Backhaus, K. and Tikoo,S(2004). Thus, the new evolving area of studying employer branding can be through the normative control approach that can be empirically studied as an inductive research in this area.

CURRENT TRENDS : AN ANALYSIS OF RELEVANT MEDIUM

The recent trend in the areas of employer branding opines a need of structured study based on employer branding initiatives reflected through recruitment advertisements in a leading newspaper's recruitment supplement Ascent. A total no of 80 job advertisements of companies appearing in all the issues of Ascent during the month of June 2012 has been analysed excluding job advertisements of educational sector. The analysis is based on four important aspects like sector contribution (denoted as sector) divided into services and manufacturing, secondly companies adopting employer branding initiatives(denoted as EB), then nature of companies (denoted as G_P) i.e Private and Government and fourth as degree of employer branding initiatives(denoted as EB_Scale) rated in 5 point scale with five being the highest with more than a paragraph on company image and profile meant for attracting talent, four points for companies using at least a paragraph, three for three and above lines and two for two lines and one for only a word or slogan/punch line being the lowest score, zero for no indication of employer branding initiative. The trend shows significant use of employer branding initiative. (Please refer the table 2)

**Analysis of ASCENT(TOI) for Employer Branding Indicators in Recruitment Advertisement
Sample: 4 Editions of June 2012, Ascent-Times of India (Career Supplement)**

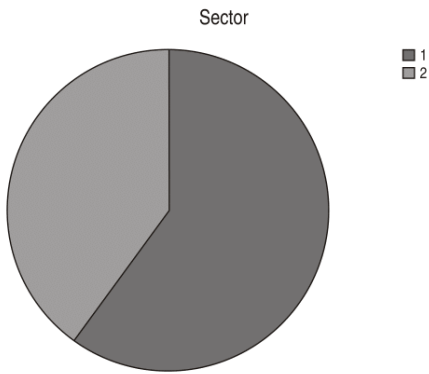
Table 2					
		Sector	EB	G_P	EB_Scale
N	Valid	80	80	80	80
	Missing	0	0	0	0
Mode		1	1	1	3
Sum		112	56	102	173

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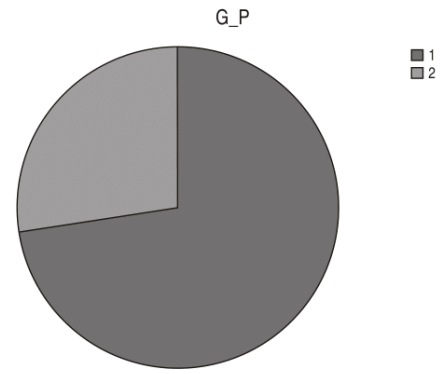
Frequency Table

Sector				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	48	60.0	60.0	60.0
2	32	40.0	40.0	100.0
Total	80	100.0	100.0	

G_P				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	58	72.5	72.5	72.5
2	22	27.5	27.5	100.0
Total	80	100.0	100.0	



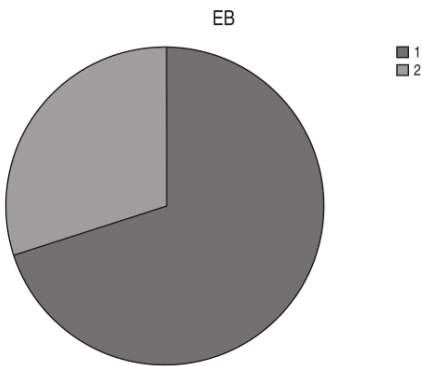
Service : 01
Manufacturing : 02



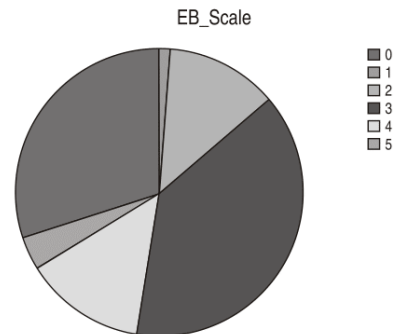
Private : 01
Government : 02

EB				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0	24	30.0	30.0	30.0
1	56	70.0	70.0	100.0
Total	80	100.0	100.0	

EB_Scale				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0	24	30.0	30.0	30.0
1	1	1.2	1.2	31.2
2	10	12.5	12.5	43.8
3	31	38.8	38.8	82.5
4	11	13.8	13.8	96.2
5	3	3.8	3.8	100.0
Total	80	100.0	100.0	



Yes : 01
No : 00



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The findings of this paper elucidates first the sector wise trend shows more contribution from service sector towards employer branding initiatives. Secondly the focus on employer branding indicators by various companies in recruitment advertisements are significantly evident as the overall percentage contribution is 70% as compared to 30% for Co's showing no indicators. Thirdly the private company's contribution is 72.5% as compared to 27.5 % of govt company which explicate an interesting observation about need for talent acquisition and branding employment is more in private sector as compared to Government sector. Lastly, in present scenario the EB Scale (Employer Branding scale) indicates company's significant attention towards employer branding attempts in recruitment advertisements. This further establishes a strong foundation for the need of a structured study to give better insight into the subject and facilitate its gainful use by the corporates.

SCOPE FOR FURTHER STUDY AND CONCLUSION

Employer branding is a relatively new approach toward recruiting and retaining the best possible human talent within an employment environment that is becoming increasingly competitive. It has the potential to be a valuable concept for both managers and scholars. Managers can use employer branding as an umbrella under which they can channel different employee recruitment and retention activities into a coordinated human resource strategy. Also the scholars and academicians can be instrumental in formulating a model employer branding framework for recruiting prospective talents. The employer branding concept can be especially valuable in the search for organizing framework for strategic human resource management.

A perception based study of prospective aspirants in the concerned area will facilitate better

understanding of employer branding vis-à-vis best employers assessed through employees preferences for an employer. The researchers can also focus on knowing the perceptions of the aspirants about characteristics of employer branding. Further a qualitative assessment can also facilitate in identifying the determinants associated with employer brand value as perceived by its potential aspirants. In general an attempt towards studying the dynamics of employer branding can help companies to develop an employer branding framework for attracting prospective talent and also it will significantly substantiate employer branding's role in providing an enterprise a competitive edge vis-à-vis corporate brand.

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BIOGRAPHIES

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