

Can Employer Branding Dwindle the Employees Turnover Intentions?

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Frequent job shifts have become a trend in the market, due to wide opportunities and options. This has led to high turnovers among organization which has forced them to critically think over this issue. Organizations take efforts for developing themselves as a great place to work so that talents can be retained easily. This paper tries to investigate the relationship among employer branding efforts, job satisfaction and turnover intentions of employees. The data was collected conveniently through a structured questionnaire from 120 employees working in several organizations. The finding of the study indicates that Employer branding efforts are negatively associated with Turnover intentions and they are mediated by job satisfaction. The implications show that organizations can positively work towards providing a value to their employees which in turn increases satisfaction and reduces their turnover intentions.

Keywords: Employer branding, Values, Job satisfaction, Turnover Intentions.

INTRODUCTION

Retaining talented employees has always been a crucial task for organizations globally. The continuous changing expectations of employees has made the employers task more complex to design and implement practices that make an organization a great place to work for and an employer brand in itself (Rosethorn, 2009). With the changing market situations it is necessary for the organizations to build policies and practices which fulfill employees' expectations which in turn augment their retention. Becoming an employer brand has gained attention of the employers as employees want to work for the best employers and this result in lower turnover rates. Acquiring the best talent for the organization, maintaining benefit needs, offering best career development services and ultimately retaining the talented employees are the key pillars for becoming the employer-of-choice (Fitz-enz, 2009). Creating a positive brand image

in the minds of existing and potential employees is the key concern for the organizations, as employees feel pride in working for the organizations having positive public image in comparison with the organizations which are not regarded as favorable to work for (Phillips & Connell, 2008). The aim of this study is to identify the inter-relationship between employer branding efforts, Job satisfaction and employees' turnover intentions. This paper tries to identify that how much an employees' derive values through various practices in organization and their influence on intentions towards turnover.

LITERATURE REVIEW

Branding deals with formulation of an idiosyncratic image of an organization on basis of its products and services which can differentiate it among the consumers. With a shift in a market, human resource practitioners have started using this marketing technique for focusing on employees which in turn helps in attracting and retaining skilled personnel' (Collett, 2013). This helps the employees in making decisions regarding their employment with the organization. Some of the contemporary

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definitions of Employer brand are summarized in table no. 1.

TABLE 1
Definition of Employer Branding

S. No	Author	Definition
1.	Simon Barrow and Tim Ambler(1996)	The package of functional, economic and psychological benefits provided by employment, and identified with the employing company
2.	Randstat award(2014)	Represents the image a company projects as a potential employer. If you have a strong employer brand and unique value proposition, then your company is considered a distinctive place to work, with attractive brand values and career prospects.

Employer branding focuses on building an organization's image in mind set of prospective employees as a great place for employment (Ritson, 2002). Employer branding is an organization's effort of communicating to its prevalent and prospective employees, that it is a desirable place to work (Lloyd 2002). Branding is a tool to identify, obtain and retain skilled labors. Strong employer branding can lower the acquisition cost, increase cordial relations, and improves employee retention.

TABLE 2
Definition of Turnover Intentions

S. No.	Author	Definition
1.	Mowday, Porter and Steers (1982)	The subjective estimation of an individual regarding the probability of leaving an organization in the near future

Research provides empirical evidence that behavioral intentions(intention to search, intention to leave, intention to quit and Turnover Intentions) are the better predictor of actual turnover than other organizational variables (Carmeli & Weisberg, 2006)

Backhaus & Tikoo, 2004 states that there is a gaps in the existing literature as few evidence are there on values driven from employer branding efforts through the existing employees which affects the important organizational outcomes. Another important reason to study the employer branding among existing employees is the findings of the study conducted by Kuchero and Zavyalova (2012) which indicates that the companies with strong employer brand have potential advantages in comparison with companies without employer brand. The study also indicates that the companies with strong employer brand have gained economic advantage due to lower staff turnover rates and higher rates of HR investments in development activities of employees.

Priyadarshi (2011) states that strong employer brand image is a predictor of organizational outcomes like employee satisfaction, affective commitment and turnover. The overall benefit that an employee gains from his job creates a value which results into an emotional response known as Job satisfaction (Oshagbemi, 2000). . Research study revealed the fact that employee's willingness to stay with the organization increases if employees take pride in working for that organization (Jiang & Iles, 2011). Employer branding focuses on improving job satisfaction of the employees. Satisfaction towards a job influences employee behavior towards employer brand (Mittal and Kamakura, 2001) and is also helpful in bringing down the attrition rate.

Objectives

1. To study employees' perception on employer branding efforts particular for their organization.
2. To study the impact of employer branding on turnover intentions.
3. To study the mediating effect of Job satisfaction in establishing relationship between employer brand and turnover intentions.

Hypotheses

On the basis of a literature review a hypothesis can be formulated

H1: Employer branding has a direct and negative influence on turnover intentions of employees’.

H2: Employer branding has a direct and positive influence on Job satisfaction.

H3: Job satisfaction reveals mediating effects on the relationship between Employer branding and Turnover Intentions of the employees’.

Research Methodology

The data was collected through a structured questionnaire consisting items on employer branding and turnover intentions. Berthon et al. (2005) scale was adapted for employer branding (20 items), Ironson et.al (1989) general scale for job satisfaction(4 items) and Turnover intention measurement(3) items were identified on the basis of literature review. Respondents were asked to rate attributes on a five-point likert scale (1- strongly disagree to 5- strongly agree). The respondents of study were 120 employees’ working in private sector banks of Ajmer. The response rate was 91.66% ,110 questionnaire were filled properly. The data collected was tabulated through statistical mean, standard deviation and inter-correlations among the variables.

For the purpose of the study the employer branding construct is further sub divided into five variables Development value(DV), Social Value (SV), Interest Value (IV), Application Value (AV) and Economic Value (EV).

TABLE 3
Demographic Classification

Males	%	Females	%
70	64	40	36

Source: Field Survey

TABLE 4
Experience

Less than 1 Year	1-5 Years	5-10 Years	More than 10 Years
15	32	43	20

Source: Field Survey

Data Analysis and Interpretations

The descriptive statistics (mean, standard deviation) for the following items are given in table no. 5.

TABLE 5
Descriptive statistics

S. No.	Items	Mean	Standard Deviation
DV. 1	Recognition/Appreciation from Management	3.97	.841
DV.2	Feeling good about yourself as a result of working in this organisation	4.33	.874
DV.3	Are you gaining career enhancing experience	3.93	.897
SV.1	Having a good relationship with your colleagues	3.87	.889
SV.2	Colleagues are supportive and encouraging	3.97	.953
SV.3	Have a good superior relationship	3.83	.903
EV.1	An above average basic salary	3.90	.835
EV.2	Good promotion opportunity	3.60	.958
EV.3	Have fair number of vacations	3.00	1.071
IV.1	Innovative employer-novel work practices/forward thinking	3.27	.776
IV.2	The organization produces high quality services	3.50	.963
IV.3	The organization produces innovative services	3.40	1.026
IV.4	The organization make use of your creativity	3.47	1.124
AV.1	Opportunity to apply what was learned at a tertiary institution	3.83	.974

AV.2	Opportunity to teach others what you have learnt	3.63	.841
AV.3	The organization is customer-oriented	3.90	1.112
EV.4	Job security within the organization	4.13	1.153
SV.4	Happy and respectful work environment	3.70	1.106
SV.5	Strong team spirit	3.77	.887
EV.5	An attractive overall compensation package	3.33	.948
JS.1	Salary package	3.67	.912
JS.2	Team building and trust	3.80	.985
JS.3	Work culture is open and learning	3.73	1.068
JS.4	Relation with colleagues & superior	4.00	.899
TI.1	Continuation with present employer will not fulfill your life expectation	2.04	1.021
TI.2	frequently you scan the newspapers/ Internet in search of alternative job opportunities	2.36	1.143
TI.3	You often think about quitting your job	2.14	1.002

Source: Field Survey

The descriptive statistics shows the means value of all the items included for the study. All the items of Employer branding have a mean value (>3.27) which identifies that the employees have a positive perception towards all the efforts taken up by the organization. This statistics also

identifies that attributes such as feeling good about yourself as a result of working in this organization (M=4.33) and high job security (M=4.13) plays an important role in making an organization as good place to work in. The high mean value of Job satisfaction (M=3.80) items collectively shows that employees feel happy and satisfied with the efforts done by organization and consider it as brand. The low mean value (<2.36) identifies the less intentions of employees' to leave the organization.

The correlation among the employer branding variables is positive, which identifies the positive association of all variables. This statistics depicts that all dimensions of employer brand has are negatively associated with employees' turnover intentions and have a positive correlation with Job satisfaction resulting in acceptance of Hypotheses I & II. This analysis signifies that employees' who have a positive response towards the employer branding efforts of the organization have a less intentions to leave the organization.

For testing the Hypothesis III regarding the mediating role of Job Satisfaction, multiple regression analysis was applied. Firstly turnover intentions were regressed on Employer brand construct as a whole. The relationship between these variables was found to be significant and negative ($\beta = -0.612^*$). Secondly Job satisfaction was regressed on employer brand construct, this

TABLE 6
Correlation statistics

Variables	1	2	3	4	5	6	7
DV	(0.86)						
SV	0.689*	(0.87)					
IV	0.662*	0.611*	(0.84)				
AV	0.541*	0.657*	0.529*	(0.80)			
EV	0.635*	0.696*	0.678*	0.512*	(0.92)		
JS	0.692*	0.710*	0.519*	0.673*	0.699*	(0.81)	
TI	-0.247*	-0.201*	-0.366*	-0.254*	-0.372*	-0.324*	(0.83)

* $p < 0.01$

Source: Field Survey

implied a significant and positive relationship ($\beta = 0.843^*$). Lastly the Turnover intentions was combinely regressed on Job satisfaction and then on Employer brand construct. Statistics identified that Job satisfaction was a significant predictor of Turnover Intentions ($\beta = -0.402^*$). Further it was identified that Job satisfaction as a mediating variable has weekend the relationship between Employer brand and Turnover Intentions ($\beta = -0.432^*$) but still it remained significant. This change in regression coefficient indicates supports the mediating role of Job satisfaction on relationship between Employer brand and Turnover Intentions. ($*p < 0.05$). This analysis leads to acceptance of Hypothesis III.

CONCLUSION

The purpose of the study was to examine the impact of Employer branding on Turnover Intentions of employees' while examining the mediating effect of Job Satisfaction in establishing this relationship. Findings reveals that there is a negative relationship between Employer branding and Turnover intentions. Employer branding acts as predictor of Job Satisfaction and Turnover Intentions. This means that the employees who perceive that their employer provides support and make their organization as a great place to work for are more satisfied. They are willing to keep an association with the organization and have high staying intentions. It implies that organization which implements Employer branding efforts make a competitive edge over other organization. These efforts develop their organizations as a BRAND. Therefore maintaining a strong employer brand can act as a solution to high employee turnovers. The organization can devise new policies and practices to make their organization as a distinctive brand for which employee feel pride to work for, which in turn increases employees' Job Satisfaction and reduces employee's turnover intentions.

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