

# **Employer Branding: A New Strategic Dimension of Indian Corporations**

Dr. Ashwini J<sup>1</sup>, Dr. Aparna J Varma<sup>2</sup>, Sudhakar Kulkarni<sup>3</sup>

Associate Professor, Bhavans Priyamvada Birla Institute of Management, Mysore, Karnataka, India<sup>1</sup>

Associate Professor, Department of MBA, GSSS IETW, Mysore, Karnataka, India<sup>2</sup>

Assistant Professor, Bhavans Priyamvada Birla Institute of Management, Mysore, Karnataka, India<sup>3</sup>

**ABSTRACT:** Employer Branding has become as important as the goods or services in the market place. Like actual product branding, organizations have started to invest employer branding as employees are the internal customers of the firm. Employer Branding builds an image of the organization confirming the organization as a good place to work. Perception of Employees about Employer Brand influences their behavior towards it. Today India boasts of one of the largest available workforces, with 65% of our country's population under the age of 35. Majority of the Indian Workforce belongs to Generation Y. It is therefore important to study the perceptions and expectations of the millennial generation, about employer brand for which they work. In today's world, an effective employee 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 the talent which leads to expansion and growth of the business. This paper focuses on the evolution of the concept of Employer Branding – its importance, applicability, outcome and the process of creating an effective employer branding strategy for any organization. A descriptive research this paper seeks insight into this very niche and occidental concept of Employer Branding in India.

**KEYWORDS:** Employer Branding, Gen Y, Commitment, Satisfaction, Branding, Indian Corporation, Talent Requisition.

## I. INTRODUCTION

If the customer brand of a company helps customers identify the best of products and services in the marketplace, it is the employer brand of a company that helps the potential candidates to understand the organization's reputation as an employer. Competitive Salary and employee benefits continue to be the top most priority among the Indian workforce followed by long term job security while choosing an employer. Many of the organizations have suffered huge revenue losses in the recent times due to wrong hiring choices. Employer branding undoubtedly is a significant percept of modern management, one that offers a fine blending of the science of marketing with the art of enlightened human relations management. It is also one of the strongest bulwarks ever against the scourge of unbridled employee attrition. Employer branding is where human resources, marketing and talent management intersect to help attract the best talent. Building an employer branding strategy involves a number of steps, including articulating and practicing values, aligning the different talent management plans of the organization and creating a robust communications strategy. Companies must leverage their employer brand given the aggressive job landscape. In a market where there exists fierce competition, companies that wish to be different and prominent must offer candidates compelling reasons to join their company. Access to high quality talent, higher employee productivity, engagement, decrease in the time to hire and the cost of hire are just some of the many benefits that organizations track and measure today. A company's employee value proposition, therefore, lies in the wellbeing of its employees. Those companies who pay attention to their employer branding initiatives will be able to benefit from improved application rates and will also have a wide range of talent pool to choose from. A strategic vision from the top management of the organization is required to attract the best talent that can help an organization scale up in this fiercely competitive environment.

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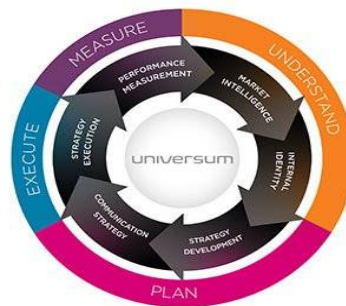
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## II. RELATED WORK

If employer branding is the process, the employer brand is the identity of a company as an employer of choice. For an effective way of employer brand promotion, however, the company can only attract current and future employees if it has an identity that is true, credible, relevant, and distinctive and an aspiration. In order to achieve this, an extensive research needs to be conducted, so that it can ensure that the employer’s identity addresses not only Top Talents but also Top Management demands.

In the last two years, the strategic importance of employer brands has increased significantly. A total of 84% of the employers who participated in the study noted that the importance of employer brand as a component of the company strategy has increased (up from 66% in 2014). The 4<sup>th</sup> edition of the People Matters-Monster.com Employer Branding Trends Study 2016 benchmarks and assesses the key shifts in the way organizations approach their employer branding strategies. The study surveyed over 85 companies and mapped perceptions of about 600 candidates to identify potential gaps in expectations between the employer and the prospective employee. An increasing number of percentage of companies are also focused on expanding their employer branding budgets and are creating employer branding strategies that are tailored to their hiring priorities, which includes hiring more women, Gen Y talent and skilled employees. With today’s ongoing digital transformation across different sectors, the main emphasis should be laid on building a continuously engaged strategy as opposed to an annual review item for the CEO or CHRO.

### The Employer Branding Process



The approach to building a strong employer brand has changed over the last few years—as has its impact on hiring and who’s responsible for overseeing it. The term “employer brand” was first defined in the mid-1990s: it denoted an organization’s reputation as an employer, as opposed to its more general corporate brand reputation. And building a strong employer brand first became a major focus of activity between 2004 and 2008, when in response to the growing competition for talent, leading companies like Unilever, Shell and P&G began to apply the same focus and consistency to their employer branding as they applied to their corporate and consumer branding. This led to the development of an Employee Value Proposition, which defined the key benefits offered by the company as an employer, and the production of employer brand guidelines, which aimed to bring greater consistency to the company’s recruitment advertising.

Employer branding was predominantly outward facing and advertising driven, and fell under Resourcing and HR. The rise of social media has made companies a great deal more transparent. People are far more likely to trust a company based on what its employees have to say than on its recruitment advertising. This means that talent attraction relies far more heavily on employee engagement and advocacy.

Marketing is also seen as playing a more important role in shaping the employer brand. As social media has intertwined company reputation with the customer experience, consumer-facing communications are increasingly becoming important in shaping the employer brand. Many firms now highlight the quality and dedication of their employees in their consumer marketing, and naturally this affects how others judge them as potential employers. More importantly the strength of the employer brand can have a significant effect on the quality, pride and engagement levels of these employees involved in delivering a positive customer brand experience.

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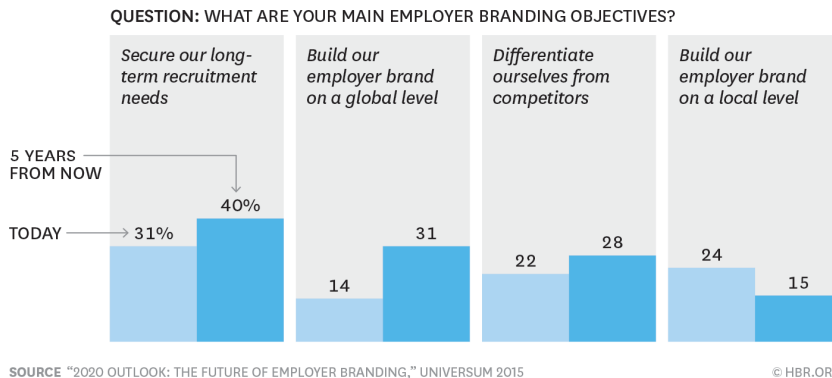
### III. PRE-REQUISITES TO ESTABLISHING AN EMPLOYER BRAND

Establishing an appealing internal and external employer image necessarily requires the understanding of both talents and the company's needs and wants. Employer branding is the process of promoting a company, or an organization, as the employer of choice to a desired target group, one which a company needs and wants to recruit and retain. This process facilitates the company's ability in attracting, recruiting and retaining ideal employees – referred to as Top Talent in recruitment and helps to secure the achievement of the company's business plan. Mainly each and every company needs to answer the following questions in order to establish an effective and efficient Employer Branding image.

- What are Top Talents career expectations?
- What are the company's strategic objectives?
- After answering the above two questions and gathering the information, the company can then begin the next process of defining its unique identity: What makes it an exceptional employer?
- In employer branding discipline, this is known as the company's EVP – Employer Value Proposition. In essence, the EVP is the set of unique employer offerings which are considered valuable to the Top Talent.

#### Employer Branding Is Becoming Strategically More Important

What CEOs and HR and marketing leaders expect it to do for the company by 2020.



### IV. STRATEGIES TO RETAIN TALENT

Based on vast research studies the below mentioned as few steps that will help leaders to attract and retain the talent they need:

- Evaluate your current employer brand awareness and reputation, through survey research among your key external target audiences
- Define how you'd like to be seen as an employer based on a realistic assessment of your distinctive strengths, and translate this into a clear and compelling Employee Value Proposition
- Be more proactive in using social media to share inside stories that highlight your strengths and build a more authentic and engaging employer brand reputation.
- Ensure that every function within the organization understands the value of a strong employer brand to the success of the business and the role they need to play in sustaining a consistent brand experience and reputation.

Given our new world of social transparency, organizations can no longer afford to rely on recruitment advertising to build a positive employer brand image. With employee advocacy growing more important, employer reputations will ultimately depend on the consistent values and vitality of their organizational cultures.

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## V. STRATEGIES FOR PRIORITIZING A COMPANY'S EMPLOYER BRAND

- INCREASE IN BUDGETS

While the number of companies that spend less than 10% of their overall branding budget has gone down, from 72% in 2014 to 64% in 2016, there is a significant rise in the companies that are willing to spend above the limit. Companies that spend in the range of 10%-25% of their overall brand budget on employer branding has moved up from 23% in 2014 to 29% in 2016. The increase in investments is also being linked to ROI. "A slight realization has kicked in with respect to investments," Modi says with companies focusing on measurable metrics to identify the return on their investments.

- SHIFT IN EMPLOYER BRANDING CHANNELS

In the recent times there is a clear shift in the channels that organizations are leveraging for employer branding purposes. Even though the fact states that the use of traditional channels like campus outreach and career sites remain unchanged, there has been observed a steep rise in the use of social networks. According to a latest research the use of Face book and Twitter has seen a huge increase in usage as a channel. Usage of other social and professional networks moved up from 26 percent to 66 percent. Internet advertising has increased from 27 percent in 2014 to 42 percent in 2016 – so it has seen an increase of 15%.

But traditional channels such as print advertising, banners and billboards as well as television commercials have seen a significant decline in employer branding spend. Amongst the many companies surveyed they admitted that they leverage print advertising for employer branding purposes. Nowadays very few companies use banners, billboards and television commercials for advertisement purpose. This shift clearly indicates a move towards a primarily digital focused employee branding strategy which is clearly geared at continuously engaging the millennial workforce on mobile and the Internet.

## VI. HIRING PRIORITIES AND NEEDS

The biggest outcomes that companies are expecting from their employer branding strategies are to get the best quality of talent in the industry. According to many HR experts, the quality of applications is one of the top measures to ascertain the effectiveness of the employer brand, reduction in the cost of hire, and the number of relevant applications in chronological order. Few other measures of ascertaining effectiveness of the employer brand include engagement and productivity and even reduced dependence on external recruitment consultants. Organizations are also looking to hire more women and Gen Y talent.

- MAPPING CANDIDATE PREFERENCES

Today it is important for every organization to convey their value proposition through branding communication that they undertake, and these branding communication efforts need to be relevant for candidates. In today's world it is necessary to map employer's preference. An alignment of candidate priorities with the employer's value proposition is essential for the success of an employer branding initiative in the long run. When we look at the top three priorities of candidates in today's corporate world are – job stability/security, company's image as an innovator/disruptor and a knowledge intensive company.

The top perks that candidates want include: Health and Wellness Program, Car and Transport benefits and Finding the space and encouragement to cultivate their hobbies and contribute towards the community building. Organizations can get their employees engaged by providing software tools that empower employees to not only share their employer brand, but also be a set of words or phrases that become a part of the company vernacular. By allowing your employees to become social recruiters, executives and entrepreneurs are freed up to focus on vetting the talent and making sure they are selecting the best fit for the role.

- ORGANIZATIONAL CULTURE

There's no amount of tools, vocabulary, or tactics that can fix a culture that's truly broken. As best-selling author and researcher Daniel Pink points out in his book *Drive*, for employees to do their best work, employers must provide three things: autonomy, mastery, and purpose. As long as employers pay fairly and provide these three employee benefits, their employer brand has the nutrients it needs to grow. So the organizations will not have a need to be scared of their best employees getting poached. The Organizational Culture should give employees the space to share what makes the

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company they are working for important for them. Founders and Executives should share the story as to why the business was founded with their employees, so as to make them feel valued and belonged. Organizations should adopt “If you don’t look good, I don’t look good” approach to build upon a successful employer brand. Managers need to realize that every individual is unique and employees should be given permission to share those unique qualities in a way that expresses their individuality while supporting the Employer Brand. So organizations should help their employees to craft their story, by listening, having an open communication and building on their ideas.

- GOOD WORK LIFE BALANCE

In today’s globalised world organizations should realize that an employee who is happy in his life will be more creative and productive compares to one who is unhappy. Latest employment relationships like flexi time work and work from home are few concepts which the organizations should implement in order to keep the entire working force happy. An organization which provides the best quality of work life is one of the important factors for maintaining low attrition rate. By promoting a healthy work life-balance, organizations could attract majority of the proportion of workforce that left their employers before or are planning to leave in the near future. Social media platforms are the most popular channels for job seekers. Many studies link happy employees to happy customers, so its not surprising to see that many companies want to align their employees and consumer brand strategies over the next few years. Many of the employees have developed an EVP (employee value proposition) to underpin their employer branding activities. In India companies still have a long way to go when it comes to strengthening their employer brands online. But many of the organization have built strategies to increase their presence online by spending more money on social media content and advertising over the next five years.

## VII. CONCLUSION

Attracting the best talent is a challenge for any organization given the growing competition in a candidate driven market. Many of the organizations today are willing to pay higher fees to specialist recruiter’s to help them find outstanding individuals who can best fit in their company. Candidate experience is a major element in Employer Branding. Companies shell out huge money to specialists in order to help them recruit the right candidate. Companies can be known as best employer brands if they give major importance to talent management and their working culture. Employer branding is not just related to what the market knows about the company’s work culture but also how each individual candidate is treated during the interview process. The factors that motivate candidates and make them recommend their employers to peers include the provision of learning and career opportunities, a strong work-life balance and the existence of a strong rewarding culture. Employers need to focus on these factors as employee referrals remain as one of the top sources of accessing high-quality talent.

By using multiple channels like social media, the company’s website and professional networks LinkedIn, recruiter’s can today create a cohesive employer brand which in turn is effective in reaching out to not just the active set candidates looking for opportunities but also passive talent, one of the biggest talent pools. To ensure the effectiveness of employer branding results there needs to be a successful assimilation of the employer branding efforts with overall branding activities. With the involvement of senior leadership in making employer branding activities more relevant for the company, there has been a growth in the assimilation of both marketing and TA functions when it comes to creating a cohesive employer branding effort.

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