



EMPLOYER BRANDING

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DEFINITION

Branding was originally used to differentiate tangible products, but over the years it has been applied to differentiate people, places and firms (Peter, 1999). According to Aaker (1991), an 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.

LITERATURE REVIEW

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.

EVOLUTION OF EMPLOYER BRANDING CONCEPT

The term "employer brand" was first publicly introduced to a management audience in 1990, and defined by Simon Barrow, chairman of People in Business, and Tim Ambler, Senior Fellow of London Business School, in the Journal of Brand Management in December 1996. 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". By 2001, of 138 leading companies surveyed by the Conference Board in North America, 40% claimed to be actively engaged in some form of employer branding activity. In 2003, an employer brand survey conducted by the Economist among a global panel of readers revealed a 61% level of awareness of the term "employer brand" among HR professionals and 41% among non-HR professionals. The first book on the subject was published in 2005, and the second in 2006. In 2008, Jackie Orme, the Director General of the UK Chartered Institute of Personnel Directors (CIPD) confirmed the growing status of the discipline in her opening address to the CIPD annual conference, with the observation that: "When I started out in the profession, nobody talked about employer branding. Now it's absolutely integral to business strategy—resonating well beyond the doors of the HR department". Similar recognition of the growing importance of employer brand thinking and practice has also been recently in evidence in the USA, Australia, Asia, and Europe, with the publication of numerous books on the subject.

HOW CAN ORGANIZATIONS BENEFIT FROM DEVELOPING AN EMPLOYER BRAND?

An employer brand can be used to help organizations compete effectively in the labour market and drive employee loyalty through effective recruitment, engagement and retention practices. All organizations have an employer brand, regardless of whether they have consciously sought to develop one. Their brand will be based on the way they are perceived as a place to work'. To be effective, the brand should not only be evident to candidates at the

recruitment stage, but should inform the approach to people management in the organization. The brand can inform how the business tackles:

- Induction,
- Performance Management and Reward,
- Managing Internal Communications,
- Promoting Effective Management Behaviors, and
- Exits from the Organization.

To deliver benefits, it is important that the employer brand is not merely rhetoric espousing the organization's values, but is reflective of the actual experience of employees. An employer brand approach involves research with employees to understand their attitudes and behavior through a staff attitude survey. This employee insight data can inform metrics on people performance' in the organization, providing an opportunity to demonstrate links to organization performance.

THE VALUE OF THE EMPLOYER BRAND IN INDIA

“The Employer Brand—A Strategic Tool to Attract, Recruit and Retain Talent” highlights that HR uses the employer brand for three main reasons: 1) organizational culture and employee fit; 2) positive outcomes for recruiting; and 3) retaining talent with corporate values and a team-based culture. At its most effective, the employer brand is a long-term strategy with a transparent message that promotes the organization as an employer of choice.

A STRATEGIC MODEL DEVELOPED ON EMPLOYER BRANDING

In developing product branding strategy, a lot of factors are involved. They are i) nature of business ii) nature of market iii) target reception iv) budget flexibility v) long term mission of the organization and vi) organizational structure. Similarly in employer branding, the organizations are following to develop their brands. Every organization has an external brand and an internal brand. The external brand is the image that an organization projects to the customers, suppliers, investors, and the public. The internal brand is the image of the employers to the employees. When properly planned and executed, an employer branding initiative can generate lively dialogue between an employer and its employees, build a

rationale for a 'mutual working arrangement', and establish compelling reasons to commit to the arrangement

EMPLOYER BRANDING AND SKILLS SHORTAGE

Every company must compete globally if they are to thrive in today's interconnected economies. The competition for talent in finance departments has gone global and businesses are struggling to fill key roles as staff demand new horizons and new challenges. Employer branding provides organizations with a strong employment promise to new candidates as well as points of difference against competitors.

It has definitely become more important. One of our objectives (in developing our employer brand) is to become an employer of choice. It's becoming harder and harder for any company in the market out there to attract great people. Unemployment is at record lows so we need to compete against other companies to draw people in but also draw the right people in and get the right fit." Katherine Fitzgerald, People Direct Advisor -Sales & Marketing, Lion Nathan.

PROBLEMS

Organizations around the globe are facing similar business challenges; the difficulty of attracting talent and retaining quality employees, lack of employee loyalty, increased overseas competition, enhanced generational change and a shortage of skilled candidates. In turn, companies are increasingly being forced to compete on a global scale for human resources and are struggling to understand how to position themselves and make themselves desirable to future employees.

"The last bastion of competitive advantage is really, how many better people do you have than your competitors? So it makes sense that the next big thing that organizations should be focusing on is how to be better at attracting the right people, making sure you retain them and then better developing those people to deliver on your business objectives and goals." James Wiggins, Employer Branding Practice Manager, TMP Worldwide Australia.

Therefore, many organizations are focusing considerable attention and resources on developing a strong employer brand.

"Recruitment should be viewed as an extension of marketing and organisations must have clear strategies to market the brand to employees." David Jones, Managing Director, Robert Half UK.

"If your employees love working for your company and buy into your employer brand, they will be your best advertising." Nigel Barcham, Managing Director, Robert Half ANZ.

SOME FINAL THOUGHTS

In the absence of a clearly defined strategy your employer brand strategy is likely to fall flat. Taking a strategic approach to your employer brand program is likely to result in CEO/senior management engagement and allocation of the resources required to effectively build competitive advantage like companies such as Google, PwC, and McKinsey & Co have consistently achieved over time and that regularly rank highly as best places to work.‘

It is also of great importance to recommend the following six key areas, (Breett Minchington and Ryan Estis, 2009) to focus on to develop an employer brand strategy that will assist to achieve the employer branding objectives.

- ✓ Determine how employer branding is viewed inside your company.
- ✓ Define employer brand objectives and project Scope.
- ✓ The relation between HR, marketing, and communications.
- ✓ Discovering your employer brand.
- ✓ CEO and senior management engagement.
- ✓ Communications planning

CONCLUSION

In the present scenario, there is not only the need of creating a satisfaction in minds of employees, but also an urgent need of creating this optimism in the minds of external customers and stakeholders. The study shows the challenges faced by many organizations and the strategies adopted. It was also observed that many organizations are still not very much aware of this concept, though are unknowingly working on employer branding because everyone wants organization to be the best. It will be comparatively easier to welcome the new world of employment brands. Employer branding is an useful tool to help organizations

differentiate what they have to offer in the labour market, and recruit, retain and engage the people they need to succeed. Just as marketers seek to understand their customers, HR people will benefit from gaining employee insight through methods such as employee attitude surveys and focus groups. This insight should inform the HR strategy, influence how internal communications are handled and help in the design of effective people management initiatives.

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