INSIGHTS ON THE MECHANISM OF EMPLOYER BRANDING PROCESS

R. Ramesh*   Dr. C. Samudhra Rajakumar**
*Research Scholar, Annamalai University.
**Professor & Head, Department of Management Studies, Annamalai University.

Abstract
It is said that brands come to life through an interplay of the efforts of those managing the brand typically, a firm and stakeholders interacting with the brand which includes customers, shareholders, distribution channels and employees. It follows that the same can be said of employer brands which take shape through both the package of functional, economic and psychological benefits provided and promoted by an employing firm, and through potential and current employees identifying benefits with the employing firm. Research to date has suggested mechanisms that create, perpetuate and shape employer brands from the perspective of both the firm and employee. Empirical investigations of the operation of specific mechanisms, such as organisational attractiveness and brand positioning, has followed, typically from the perspective of either the firm or the individual which could be a potential or current employee. This has brought to light only a few narrow aspects of the employer branding process, leading to an incomplete picture. To address this gap the researchers have undertaken a qualitative investigation similar to one undertaken by Lara Moroko, and Mark D. Uncles. The study has been conducted across a range of six Indian sectors - IT, Pharmaceutical, Manufacturing, Logistics, Banking and Insurance to understand their employer branding processes. The resulting analysis is both interesting and through provoking. To gather complete data on firm level as well as individual level mechanisms, the researchers have included two groups of respondents from each firm, one which directly deals with day-to-day management of the employer branding process and other which deals with the employee relations. The study has identified a number of inter-related mechanisms that create and perpetuate the employer brand at the firm and individual level.

Keywords: Employer Branding; Employer Brand; Employer Branding Process, Firm Level, Individual Level.

Introduction
It is said that brands come to life through an interplay of the efforts of those managing the brand (typically, a firm) and stakeholders interacting with the brand (customers, shareholders, distribution channels and employees) (Hatch and Shultz, 2009; Kärreman and Rylander, 2009; Holt, 2002). It follows that the same can be said of employer brands, i.e. they take shape through both the package of functional, economic and psychological benefits provided and promoted by an employing firm, and through potential and current employees identifying benefits with the employing firm (Ambler and Barrow, 1996).

Employer branding is an emerging discipline with its roots in classical marketing and brand management principles. It aims to position an image of a company as "a great place to work". The idea is first to develop an emotional link with the best talent, and then offer prospective candidates tangible benefits based on evidence. The promise and fulfillment of an employer brand enables the attraction, motivation and retention of appropriate talent for the business to continue delivering on the corporate brand promise.

The practice of employer branding is predicated on the assumption that human capital brings value to the firm, and through skillful investment in human capital, firm performance can be enhanced. Arguably, the possession of resources that are rare, valuable, non-substitutable and difficult to imitate allow a firm to move ahead of its competitors with distinct competitive advantages. While plant, equipment and capital are commonly regarded as resources that create competitive advantage, human capital has also been shown to operate as an important resource creating competitive advantage. For example, a state-of-the-art facility and technology can create competitive advantage only when there is a highly competent workforce to utilize them.

External marketing of the employer brand establishes the firm as an employer of choice and thereby enables it to attract the best possible workers. The assumption is that the distinctiveness of the brand allows the firm to acquire distinctive human capital. Further, once recruits have been attracted by the brand, they develop a set of assumptions about employment with the firm that they will carry into the firm, thereby supporting the firm's values and enhancing their commitment to the firm.

Internal marketing helps create a workforce that is hard for other firms to imitate. By systematically exposing workers to the value proposition of the employer brand, the workplace culture is moulded around the corporate goals, enabling the firm to achieve a unique culture focused on doing business the firm's way.

Competition for talent is heating up in many industries and will probably intensify, since demographic trends make it increasingly difficult for companies to replace valued employees when they retire. Hence in response many companies are trying to sharpen the way they market themselves to recruits, by applying branding techniques to recruitment.

Review of Literature

Minchington (2005) defines employer brand as "the image of your organization as a 'great place to work' in the mind of current employees and key stakeholders in the external market (active and passive candidates, clients, customers and other key stakeholders)."

Employer branding is therefore concerned with the attraction, engagement and retention initiatives targeted at enhancing a company's employer brand. Strong employer brands have an employee value proposition ("EVP") which is communicated in company actions and behaviours and evoke both emotive (e.g. I feel good about working here) and rational benefits (this organisation cares about my career development) for current and prospective employees. These EVPs reflect the image the organisation wants to portray to its target audience. A company's employer brand is reflected in the actions and behaviours of leaders and is affected by company policies, procedures, and practices.

Increasingly, marketers have turned their attention to employer brands (e.g., with respect to the uses of segmentation in employer branding (Moroko and Uncles 2009a, 2009b).To date the literature has suggested, normatively, mechanisms that create, perpetuate and shape employer brands from both the firm and employee perspective (e.g., brand meaning, organisation identity, employee attraction and internal marketing (Ambler and Barrow, 1996, Knox and Freeman 2006, Backhaus and Tikoo, 2004). Empirical investigations of the operation of specific mechanisms, such as organisational attractiveness and brand positioning, has followed, typically from the perspective of either the firm or the individual potential/current employee (Lievens and Highhouse, 2003; Berthon, Ewing and Hah 2005; Davies, 2008, Bakhaus, 2004; Ewing et al 2002). This has cast light on narrow aspects of the employer branding process, leading to an incomplete picture. To address this gap the researchers have undertaken a qualitative investigation similar to one undertaken by Lara Moroko, and Mark D. Uncles. .

Research Question

Establishing the scope of mechanisms that underpin the employer branding process leads us to the following research question: "What are the mechanisms at the firm and individual level that shape and perpetuate the employer branding process in practice?"

Methodology

The researchers have undertaken a qualitative investigation of six firms across a range of industries to understand their employer branding processes. The resulting analysis is both broad and deep, giving insight into the process from the perspectives of the employer brand as managed by the firm through human resources, marketing, internal communications and executive management and from the perspective of the individuals targeted by and co-creating the employer brand (i.e., employees of the respective firms). It is posit that there are a number of inter-related mechanisms that create and perpetuate the employer brand at the firm and individual level.

Care was taken to select firms from a diverse set of industries, but to keep other extraneous factors such as firm size and location constant. The study has been conducted across a range of six Indian sectors - IT, Pharmaceutical, Manufacturing, Logistics, Banking and Insurance to understand their employer branding processes The fieldwork took place over a month, with data being collected at all six firms across this extended period.

The empirical material on which the analysis is based consists primarily of information collected by conducting interviews with a schedule containing about 40 questions. The interviews were semi-structured in nature, but to give some structure an interview guide for each of the groups was formulated. These guides contained topics and questions designed to gain an understanding of the presence and operation of the process mechanisms identified in the employer branding literature.

To capture data on firm level as well as individual level mechanisms, two groups of respondents were interviewed at each firm. Staff identified as being involved in the day-to-day management of the employer branding process (e.g., human resources, marketing, brand, internal and external communications) and employee relations staff (internal and external consultants) were interviewed to gain an understanding of the firm's perspective of the employer brand. Employees from each organisation, who were not involved in the management of the employer branding process, were also interviewed to gather data on the individual level mechanisms. These respondents were selected such that those with a variety of functional positions, levels of seniority and length of tenure were included.

Each firm was treated as a distinct case and coded separately. Field notes from the interviews, together with other data like past and present internal marketing communications, employer branding planning and strategy documents, staff surveys, external recruitment, product and corporate advertising, external reputation and consumer survey data, newspaper articles on the firms, etc. were coded to create themes during data collection. This helped in having a deep understanding of the way in which the mechanisms operated at each firm and from the perspectives of both the firm and individual levels.

Findings

From the within-case analysis it is possible to establish whether the full scope of mechanisms proposed, normatively, in the employer branding literature are operating in the employer branding processes of the six firms. Table 1 shows the presence (tick) or absence (cross) of each mechanism for all six firms. Supporting the scope of mechanisms proposed in the literature, the presence of each mechanism is evident for at least one of the firms in the sample. However, there is clearly variation in the presence of mechanisms at both the firm and individual levels.

By systematically comparing the presence and operation of mechanisms across the six firms, it was possible to establish a meaningful, subtle and surprising ways in which the more successful employer branding processes (the IT, Pharmaceutical, Manufacturing) differed from the less successful processes (the Logistics, Banking and Insurance).

Firstly, the study was able to establish common themes across the mechanisms: the role of leadership and line management; the firm's values; messages relating to the employment experience (in terms of consistency, source and accuracy/credibility); and employee trust of the organisation. These themes can be seen as the critical touch-points of the employer brand from the firm and employees perspectives.

Secondly, the research determined that mechanisms did not positively contribute to the process by virtue of their mere presence. Internal marketing, for example, was present at all six firms, but was only viewed positively by respondents at the IT and Pharmaceuticals firms, had mixed evaluations at the Manufacturing and Logistics and was viewed negatively at the Banking and Insurance firms.

Thirdly, it was found that the full range of mechanisms was only evident at the IT and Pharma, which embodied the characteristics of a successful employer brand more closely than all other firms in the sample.

Table 1. Presence or absence of the proposed mechanisms across the firms as evident in the data

Process level	Mechanisms	IT	Pharma	Manufacturing	Logistics	Banking	Insurance
Firm	Cross functional knowledge sharing			x	x	x	x
Firm	Cultural management						
Firm	Image management						x
Firm	Employee attraction						x
Firm	Employee retention					x	
Firm	Internal marketing						
Firm	Brand management & differentiation					x	x
Individual	Psychological contracts						
Individual	Employer Brand attraction					x	x
Individual	Brand meaning						
Individual	Brand loyalty			x	x		
Individual	Employee organisation fit					x	
Individual	Organisational citizenship						x

Interaction between the Mechanisms

The findings indicate that the process exists as a result of the interaction between mechanisms at each level and across the individual/firm levels. For example, cultural management through the promotion of brand management and differentiated values has its impact on employee attraction in manufacturing and logistics firms.

To cite another example, the in case of the employees of the Banking and Insurance, the psychological contract of the employees was fulfilled, despite disruptions in image management and organisational citizenship due to the consistency of the culture brought about by the continuity of senior management. In logistics firms, promotion of the brand image has led to brand loyalty.

IT and Pharmaceuticals firms show that they have worked towards attracting employees, particularly those who had a good employee/organisation fit with the culture of the firm. This, in turn, has assisted in the retention of employees, who respond positively to the culture.

Conclusion

Various mechanisms have been suggested previously, mainly based on normative principles. The contribution of this paper is make an empirical study in which these mechanisms are validated. Furthermore, from the case data presented and the ensuing analysis it is evident that the employer branding process is inherently multidisciplinary in nature. By its nature the process encompasses functional and theoretical roots in marketing, human resources, organisational management and strategy. It is, in fact, a much broader, deeper and more strategic process than often claimed. There are also substantive practical implications. For instance, if a firm cannot support the mechanisms underpinning the employer brand then it is likely that pursuing an employer branding program, however well intentioned, will not prove successful. At best, the firm may increase awareness among prospective employees as an employer and may even increase the ease with which they recruit employees. However, in the absence of a compelling and deliverable employee value proposition, potential long term strategic benefits are unlikely to accrue. Similarly, activities that pass for an "employer branding strategy", such as simply refreshing a firm's recruitment advertising or updating a career website are unlikely to deliver meaningful employer branding.

The importance of sector mechanisms has been briefly explored in this research. Unaddressed issues in the employer branding process could provide valuable insight into the scope of sources influencing the employees' psychological contracts and thus the firm's ability to construct and promote a compelling job "product". This super-macro-level mechanism view, building on the individual (micro) and firm (macro) level mechanisms would also raise the potential for researching employer branding at a more advanced level

References
1. Ambler, T., Barrow, S., 1996. The employer brand. Journal of Brand Management 4 (3), 185-206.
2. Backhaus, K., Takeo, S., 2004. Conceptualizing and Researching Employer Branding. Career Development International 9(4/5), 501-517.
3. Backhaus, K., 2004. An Exploration of Corporate Recruitment Descriptions on Monster.com. The Journal of Business Communication 41 (2), 115-120.
4. Berthon, P., Ewing, M., Hah, L. L., 2005. Captivating company: dimensions of attractiveness in employer branding. International Journal of Advertising 24 (2), 151-172
5. Davies, G., 2008. Employer Branding and its Influence on Managers. European Journal of Marketing 42 (5/6), 667-681
6. Ewing, M.J., Pitt, L.F., de Bussy, N.M., Berthon, P., 2002. Employment Branding in the Knowledge Economy. International Journal of Advertising 21 (1), 3-22.
7. Hatch, M., Schultz, M., 2009. Of Bricks and Brands: From Corporate to Enterprise Branding. Organizational Dynamics 38(2), 117-130
8. Holt, D., 2002 Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding. Journal of Consumer Research 29 (1), 70-90.
9. Kärreman, D., Rylander, A., 2008. Managing Meaning through Branding — the Case of a Consulting Firm. Organization Studies 29 (1), 103-125.
10. Knox, S., Freeman, C., 2006. Measuring and Managing Employer Brand Image in the Service Industry. Journal of Marketing Management 22 (7), 695-716.
11. Lievens, F., Highhouse, S., 2003. The Relation Of Instrumental And Symbolic Attributes To A Company's Attractiveness As An Employer. Personnel Psychology 56 (1), 75-103.
12. Minchington, B (2005) Your Employer Brand – attract, engage, retain, Collective Learning Australia.
13. Moroko, L., Uncles, M. D., 2009a. Employer Branding and Market Segmentation. Journal of Brand Management 17(2), forthcoming.
14. Moroko, L., Uncles, M. D., 2009b. Employer Branding. Wall Street Journal 23 March, 253(67), R7-R8.