CHAPTER – 5
FINDINGS AND CONCLUSION

5.0 INTRODUCTION

The present study has involved an empirical investigation of the factors of employer branding affecting employee engagement of the employees of Indian IT companies. This encapsulates the theoretical reasoning for the three basic research variables i.e. employer value proposition (EVP), Employer Attractiveness (EA) and Employee Engagement (EE) in the present context of this research. The central research question underpinning this thesis was: what are the significant employer value proposition (EVP) attributes that contribute to employer branding of Indian IT companies and what is the consequence of employer branding on Employee Engagement. To address the research question and to achieve the research objective, a comprehensive review of potential theories, theoretical literature, research reports, and empirical findings were put together towards identifying the attributes of Employer Value proposition that leads to employer attractiveness and employee engagement. Based on the reviews hypotheses were developed for better insight into the three research variables presented in chapter two. A pool of items was generated for developing two instruments, one on employer value proposition and the other on employer attractiveness. Gallup Workplace Audit (GWA) instrument was modified and adapted to suit India context. The research methodologies adopted to study the research variables and to investigate the relationship among these variables presented in chapter 3. The instrument for measuring EVP, EA, EE was tested for standardization and subsequently, the hypotheses were tested and compared and the findings presented and summarised in Chapter 4. The present chapter discusses the research findings, overall contribution and implication of the study to the relevant stakeholders, and
acknowledges the limitation of the study. The chapter concludes with recommendations for conducting future research.

5.1 DISCUSSION

The basic purpose of this study was to explore the EVP attributes and its significant relationship with employer attractiveness, employee engagement, and the impact of the employer attractiveness on employee engagement within Indian IT industry context. In line with past research the study found that Employer Value Proposition is multi-factorial (Backhaus & Tikoo, 2004; Berthon et al., 2005; Martin, 2007) and the value proposition that is the building block for employer branding (Mosley, 2007; Edward, 2010). There are seven distinguishing EVP attributes, namely- physical work environment, organization culture, compensation and rewards, nature of work, inspirational value, work-life balance, training and development has been identified as the value proposition. Though, earlier literature (Scholarios & Marks, 2004; Richman et al., 2008; Hayman, 2009; Bourhis & Mekoaoui, 2010) claimed that work-life balance is one of the EVP attribute to attract talent but statistical analysis during the scale standardization and validation, this attribute had to be dropped within Indian IT employment context. Ewerlin (2013) argued that work-life-balance attribute is negatively related to career and compensation development. Past studies have also shown that employees prefer to be part of the informal political network within the organization for career advancement i.e. close contact of their supervisor (Hill, Ferris, & Martinson, 2003; Kurland & Bailey, 1999; Bailyn, 1993; Darcy et al., 2012) and will also work within a team with strong network (Suh, Diener, Oishi, & Triandis, 1998; Parkes, Bochner, & Schneider, 2001). Work-life-balance is not necessarily an important value proposition to increase employer attractiveness (Ramamoorthy & Carroll, 1998). Employees of the IT companies are knowledge worker with technical background and are willing to put extra effort to learn new technology or become a master of their technology thus increasing their market value. The current study shows that work–life balance is not necessarily reflecting employees’ intention to stay with an organisation (Parkes & Langford, 2008) among employees in Indian IT employment context.
To measure the level of employer attractiveness a novel approach was followed in this study where the perception of the employees towards their organization is measured via the level of gratitude an employee shows towards the organization as a result of the employment experience, the employee is having with the organization. Given the opportunity a happy employee tells proactively stories about his/her employer and expresses his gratitude by recommending the organization to other potential employees (Sullivan, 2004; Kanar et al., 2010). A happy employee feels proud to be recognized outside by the name of his employer, and intention to continue his employment with the organization (Herman, 1991; Sullivan 2004; Kanar et al., 2010).

The study has shown that sixty four percent variations in employer attractiveness is being caused by three predictor factors viz., nature of work, inspirational values and organisation culture. Supporting past research (Klaus et al., 2003; Chun & Evans, 2005; Maxwell and Knox, 2009) the present research has shown that nature of work has significant effect on employer attractiveness. Nature of work is one among the top three attributes for employer attractiveness supporting NASSCOM (2006) and EBI (2012) study. Interestingly compensation and rewards did not appear as top three attributes of employer attractiveness as highlighted in NASSCOM (2006) and EBI (2012) report. Inspirational values such as; strong leadership, clear vision for future, well communicated employment benefits (Hedberg & Helenius, 2003; Taylor, 2002) creates a psychological effect (Ambler & Barrow, 2005) in the minds of employees and in return the employees stay attached with the organization. An organization that extends good learning opportunities by providing training, opportunities to implement the knowledge acquired during the training, provide opportunities to demonstrate the acquired knowledge in global environment and respects employees’ innovative thinking, are more likely to become an employer of choice (Cable et al., 2000; Singh, 2009). A great organizational culture where the employer is committed for the employees personal well-being, employees’ suggestions are encouraged, and existence of transparent policies and procedures, equal opportunity, and culture of corporate social responsibility (CSR) leads to employer attractiveness.
The multiple regression analysis has shown that fifty two percent variations in the level of employee engagement is being caused by four EVP attributes nature of work, physical work environment, compensation and training. While EVP attributes nature of work, physical work environment and compensation has direct impact on the level of employee engagement; training has shown an inverse relationship with employee engagement during the regression analysis. This indicates that the engaged employees are more focused on physical work environment where they can stay engaged, and the type of work they prefer to get engaged. The engaged employees are least bothered about the training and development programme of the organization. Palan (2007) argued that training will lead to attrition if training is viewed as an event rather than a process. Adhoc trainings without proper need analysis are not accepted by the employees (Palan, 2007). Training is required when a lack of knowledge and skills becomes a barrier to employees work rather than forcing employees to attend the organization imitative mandatory training programs (Mager, 1992). This again supports that employee engagement is a win-win phenomena for both employees and employer, and organization can save potential spending on training and development by having an engaged work force. It is worth noting that this necessarily does not mean that employer should not provide learning and development opportunity to the employees rather the study clearly distinguishes that in order to have a strong employer branding the organization should have training and development programme, based on the real need of the employees. Compensation is a significant predictor of employee engagement as employees exchange their engagement in response to the compensation and rewards they receive from their employer (Robinson et. al, 2004; Saks, 2006). Supporting Bhatnagar (2007) finding the study confirms that Nature of work is one of the strong predictor of employee engagement in Indian context.

The multiple regression analysis has shown that twenty percent of variation in employee engagement is caused by employer attractiveness. Supporting earlier research (Thompson, 2002; Hodes, 2012) the current study has shown that the level of employer attractiveness is related with the level of employee engagement. The study supporting
earlier studies (Buckingham & Coffman, 1999; Barrow & Mosley, 2005; Lockwood, 2005) confirm that employer attractiveness leads to employee engagement.

5.2 OVERALL CONTRIBUTION AND IMPLICATION OF THE STUDY

Thorough image audits of what value propositions make an organization an attractive employer (Highhouse et al., 1999; Arnold et al., 2003; Lievens et al., 2005) is a good starting point for employer branding, but it is often complicated to decide which characteristics an organization should promote to enhance its attractiveness as an employer (Lievens et al., 2005). In this respect, this study has key practical implication for Indian IT companies as the study attempted to identify these primary dimensions. There are a number of managerial implications identified in this study and are mentioned below:

- EVP scale made on Indian IT industry context and can be used by organization to measure the level of EVP the organization is currently having.
- EA scale was introduced with a novel approach where the perception of the employees towards their organization is measured via the level of gratitude of the employee towards the organization. EA scale can be used to measure the level of employer attractiveness of Indian IT companies.
- To become an employer of choice Indian IT companies should carefully provide better physical work environment such as secured work environment, ergonomically designed work station, required infrastructure for the day to day activities and above all a pleasant work environment.
- Organizational culture plays a vital role in retaining employees with the present employer. Thus Indian IT companies should build a strong and favourable organizational culture where the employees’ personal well being are taken care of, there is open feedback system to improve the process within the organization, open and transparent policies and procedures, be an equal opportunity employer and also understands the organization responsibility for the community and have excellent CSR initiative.
➢ Organization should carefully evaluate the employees’ preference of the type of work and accordingly allocate work to the employees.

➢ Organization should have a strong leadership team with future vision and also a well admired organization in the community induce the intention of employees to stay attached with the organization.

➢ The IT employees are knowledge workers and require the adequate training and thus the employer should provide enough training opportunity to become an employer of choice. However, employees should not be forced to attend company provided training programs as this may have negative impact on the organization’s employee engagement.

➢ Compensation is not one of the predictor of employer attractiveness but it is one of the EVP attribute that leads to employee engagement. Organization should have a competitive compensation package along with an open reward and promotion policy to have a high level of employee engagement.

➢ Organization that wants to have a high level of employee engagement requires to strongly focusing on the EVP attributes of physical work environment, nature of work and compensation.

➢ Engaged employees should not be burdened with company provided trainings as these category of employees are self motivated and are eager to address their learning and development by themselves rather completely relying on the organization provided training and development programs.

5.3 LIMITATIONS OF THE STUDY

A number of limitations for the present study are presented in this section.

➢ A number of marketing principles are applicable to the concept of employer branding. The thesis has discussed relevant key marketing concepts but the empirical study is limited to the EVP attributes of employer attractiveness.

➢ The study is restricted to the employees of Indian IT companies.
The study is limited to the employee’s perception on employer branding and has not focused on employer view on employer branding. However, both employees and employer views could be equally important in terms of defining what value proposition can be offered by the employer and whether those value proposition offered by the employer leads to employer attractiveness.

The newly constructed instrument EVP scale in this study has potential value as a diagnostic tool to measure EVP in Indian IT industry context. Further validation may be required when used across different domain. There are likely to be industry segment difference, for example the manufacturing domain employees EVP expectation may be different from banking domain employees EVP expectation. So the scale on EVP cannot necessarily be extended across all domains without further psychometric testing.

The findings are based on respondents’ cross-sectional data, rather than longitudinal data. The cross-sectional data may be influenced by the respondent’s predisposition of any events that might have happened in the past or by the mental state while filling in the questionnaire.

The study is restricted to the participants who already have a job in the Indian IT Industry.

The perception of the students as a potential employee is not considered in this study.

There are likely to be cross-cultural differences while defining the EVP. So the scale on EVP cannot necessarily be extended cross-nationally without further psychometric testing.

While acknowledging the limitations, this research demonstrates that EVP is central to the employer branding and leads to employer attractiveness and employee engagement.
5.4 RECOMMENDATION FOR FUTURE RESEARCH

Results of the present study provided a number of directions for future research. Studies with a research approach similar to this research can be undertaken to identify the relationship between the recommended EVP attributes and employer attractiveness and level of employee engagement in other industries. It would be useful to determine if EVP attributes that are related to desired employer attractiveness in the Indian IT industry are also related to desired performance in other domain such as banking, manufacturing, retail, automobile, pharmaceutical, etc. in India context.

Cross-sectional design is employed in the present study. Future research should examine relationship among employer value proposition, employer attractiveness, and employee engagement through longitudinal research designs in order to assess the causality, as well as the strength and duration of the relationship.

The present study is based on the perception of employees on their present employment and the relationships between the research variables EVP and employer attractiveness; and the impact of the EVP attributes on employee engagement has been established. Further study can be done based on the perception of potential employees and the research variables can be retested.

Further study can be designed to understand the employer perception on value proposition, what the employer feels is the driving force for employer branding versus on the employees perception on value proposition that the employees feels is the driving force for employer branding can be studied.