EFFECT OF EMPLOYER BRANDING ON EMPLOYEE ENGAGEMENT: A STUDY OF INDIAN IT SERVICES COMPANIES

Abstract

Employer branding has got attention from both academic and practice as a strategic activity to attract, retain talents. Much attention has been made in conceptualizing employer branding however, the key driver of employer branding and its effect on employee engagement remain empirically unexplored in literature. It is inconclusive as to which factors influence employer value proposition and the influence of these value propositions on employer attractiveness and employee engagement. The aim of this research is to get a deeper, more grounded understanding on the spectrum of employer value proposition which is the key driver to build a stronger employer brand, and examines the effect of the value proposition on employer attractiveness and employee engagement from Indian context. The sample size of this research consists of 707 respondents from the existing employees of Indian IT companies. Through an extensive literature review and subsequent focus group interview, a multi dimensional employer value proposition scale is developed and validated. To measure the level of employer attractiveness a unidimensional scale was developed where the perception of the employees towards their organization is measured via the level of gratitude of the employee shows towards the organization. Gallup Work Place Audit (GWA) scale was appropriately modified and validated to measure the level of employee engagement. The relationship and effect between variables were assessed through linear regression method.

Results of the study revealed that attribute inspirational values, nature of work, and organization culture explains 64% of the variance in the level of employer attractiveness. At the same time attribute nature of work, physical work environment, and compensation are the greater predictor of employee engagement. The study further found that company driven forced training programmes are having adverse effect on employee engagement.

The managerial implications of developing a more consistent value proposition to become an employer of choice and to have an engaged work force in the employment scenarios are discussed. The thesis concludes by highlighting the contribution of the research, its limitations and areas for further research.