Chapter III

Conceptual Framework
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CONCEPTUAL FRAMEWORK

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CHAPTER III

CONCEPTUAL FRAMEWORK

The previous chapter has thrown light on many a variable that are crucial in identifying and developing the employer brand. In this chapter, an overall view of employer branding is presented. The concepts of brand and branding, employer brand, employer branding and employer value proposition are discussed. Relationship between corporate branding, internal branding and internal branding is also established. This chapter also discusses the dimensions of employer brand and the essential elements of employer branding.

3.1 BRAND

Employer branding rests upon the premise of ‘brand’. An understanding of the concept of brand and its related terms is essential to grasp the concept of employer branding. According to the American Marketing Association (1960), a brand is “a name, term, sign, symbol or design or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors” Brand may be looked upon as a collection of perceptions in the minds of the consumer. Brand Glossary defines brand as “a mixture of attributes, tangible and intangible, symbolised in a trade mark, which if managed properly, creates value and influence.” A brand is “a promise about added value to the audience, both emotional and functional, and that a brand is a promise about its uniqueness.” “A brand is a symbol that encapsulates the many associations that are made with a name” (Gardner & Levy, 1955). “Brand in its passive form, the object by which an impression is formed, and in its active form, the process of forming this impression” (Blackett, 2004). “Brand is an asset that does not have physical existence and the value of which cannot be determined exactly unless it becomes the subject of specific business transaction of sale and acquisition” (Seetharaman, Nadzir, Gunalan, 2001, p 243). Ambler (1992) refers to brand as “the promise of the bundles of attributes that someone buys and provide satisfaction...The attributes that make up a brand may be real or illusory, rational or emotional, tangible or invisible”. A brand is structured by brand
attributes, which differentiate one brand from another. Brand generates awareness, reputation and prominence in the market place. It identifies the goods and services and distinguishes them from competitors.

3.2 BRANDING

According to Kapferer (1997), “Branding is a strategic decision, as it is designed to not only highlight what a brand means, but also how it is differentiated from its competitors. Branding provides consumers with a reason to buy and is thus much more than just giving a brand name and signalling to the outside world that such a product or service has been stamped with the mark and imprint of an organisation. Branding is not about being on top of something, but within something.” Branding provides several valuable functions. It endows products and services with the power of a brand. It creates meaningful differences between products and services available to customers. It creates mental structures that help customers organise their knowledge about products and services and clarify their decision making. When branding efforts become successful and the brand is considered strong, then companies experience changes in the behaviours of customers such as brand loyalty. According to Wheeler (2103), a brand is an emotional connection that creates lifelong relationships with customers. The success of the brand involves building brand awareness and extending customer loyalty. Branding is about giving reason for customers as to why they should choose this brand instead of another.

‘Brand’, which was primarily used to promote the organisation’s offering to the customer, thereby giving it an identity which distinguishes the organisation from other competitors, nowadays refers to identity and reputation. Branding is also applicable to areas such as Human Resources and it may lead to higher employee retention and loyalty. As marketing and HR fields are overlapping, the brand can be defined with a broader focus. Accordingly, Hetrick and Martin (2006) define brand as “a promise made and kept in every strategic, marketing and human resource activity, every action, every corporate decision and every customer and employee interaction intended to deliver strategic value to the organisation”.

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3.3 CORPORATE BRANDING, INTERNAL BRANDING AND INTERNAL MARKETING

Corporate brands are of particular importance in the company’s brand architecture since they are designed to support other brands within the brand portfolio, such as the employer brand, and to ensure a consistent brand presence (Petkovic, 2008). Corporate branding refers to the systematic planned management of behaviour, communication and symbolism in order to attain a favourable and positive reputation with target audiences of an organisation (Einwiller & Will, 2002). Van Riel (2001) defines corporate branding as a “systematically planned and implemented process of creating and maintaining a favourable reputation of the company with its constituent elements by sending signals to stakeholders using the corporate brand.” In scientific discourse, it is widely accepted that employer branding is a part of corporate branding, since the branded object of reference in the labour market is the corporation itself (Ewing et al 2002, Petkovic, 2008).

![Diagram of Corporate Brand Management](image)

(Adapted from Grobe, 2008)

**Fig. 3.1 Primary target groups of Corporate Brand Management**

However, the employer brand and corporate brand differ in two aspects. Firstly, the employer brand is specific to the employment, depicting the organisation’s identity as an employer. Secondly, employer branding efforts are targeted at the needs and expectations of current employees (Internal employer branding) and potential employees (External employer branding) whereas corporate
branding efforts takes into account all the stakeholder groups of the organisation (Backhaus & Tikoo, 2004).^{14}

Closely related to employer branding but theoretically different are the concepts of Internal Branding and Internal Marketing. Internal branding focuses on how the employees of an organisation adopt the brand concept so that they live up to the promises that the brand should deliver to its external stakeholders. It aims to teach and communicate the brand values to the employees (Foster et al 2010,^{15} Punjaisri et al 2009^{16}). Internal branding activities communicate and educate employees about the brand values to enhance their intellectual and emotional engagement with the brand. It ensures that employees transform espoused brand values, which set customers’ expectations about the organisation, into reality during the delivery of the brand promise. Internal branding is realised through the practice of internal marketing. Mahnert & Torres (2007)^{17} define Internal Marketing as “the accumulation and application of functions and tools aimed at the formation and maintenance of a consistent, efficient, effective and customer oriented workforce.” Internal marketing is a broader concept. In Internal marketing, focus is given to customer oriented work force.

Internal marketing concentrates on communicating the customer brand promise, and the attitudes and behaviours expected from employees to deliver on that promise. While it is undoubtedly beneficial to the organisation for employees to understand their role in delivering the customer brand promise, the effectiveness of internal marketing activities can often be short lived if the brand values on which the service experience is founded are not experienced by the employees in their interactions with the organisation. This is the gap that employer branding seeks to address with a more mutually beneficial employment deal.

Compared to the customer centric focus of internal marketing, internal branding takes a more ‘inside-out’ value based approach to shaping employee perceptions and behaviours. Organisations with consistent, distinctive and deeply held values tend to outperform those organisations with a less clear and articulated ethos. However, the communication led, marketing methods of internal branding has
been prone to the same failings of conventional internal marketing. Organisational culture needs to be consistently and continuously shaped and managed, which is one of the primary reasons organisations have turned from the short term engagement focus of internal branding to more long term focus of employer branding.

### 3.4 EMPLOYER BRAND

The terms Employer Brand was coined by Ambler and Barrow\(^\text{18}\) in 1996, and define it as “the package of functional, economic and psychological benefits provided by employment and identifying with the company”. Employer brand may also be “...A set of attributes that make an organisation distinctive and attractive to those people who will feel an affinity with it and deliver their best performance within it.” (CIPD, 2006)\(^\text{19}\)

According to Bhattacharya\(^\text{20}\), CEO of Great Place to Work Institute, India, Employer brand is the totality of all the positive and negative experiences that people have about the organisation before they join, during their stay and after they leave the organisation. The employer brand is what the organisation stands for as an employer and is therefore an extension of its core values. Rosethorn (2009)\(^\text{21}\) defines it as “…the two way deal between an organisation and its people-the reason they choose to join and the reasons they choose - and are permitted – to stay”

HR practitioners however feel that employer branding is a complex concept based on various intangible factors such as perception, image and identity and the ability to differentiate between them. According to Engelund & Buchhave (2009, p27),\(^\text{22}\) an employer brand is “a company’s trademark and is created by internal and external stakeholders through the dynamics between the company’s identity, profile and image a place to work”. “An employer brand is a set of attributes and qualities-often intangible- that makes an organisation distinctive, promises a particular kind of employment experience and appeals to those people who will thrive and perform to their best in its culture” (CIPD, 2006)\(^\text{23}\)

Kucherov & Zavyalova (2010)\(^\text{24}\) define employer brand as “quantitative features of the company as an employer that is associated with the positive image
and unique set of material and non-material benefits by target audience in the labour market.” “An employer brand is about giving an identity, image and distinctiveness to the organisation as an employer in order to attract the prospective employees and to motivate, engage and retain its current employees” (Bhatnagar & Srivastava, 2008). Martin et al (2005, p78) refer to employer brand as “an agreement under which the offer of the employer (manifested in the organisational goals, values and initiatives that builds trust in the employees) and counter offer from employees (in the form of a high level of engagement and retention) are matched”.

3.5 EMPLOYER BRANDING

The process of intentional development of the employer brand is called employer branding. Branding theory and practices, originally connected with consumer goods and services for the purpose of stimulating loyalty in customers, have been extended to differentiate organisations to make them desirable from the employee perception (Fyock, 1993).

Sullivan,J (2004) refers to employer branding as “a targeted long term strategy to manage the awareness and perceptions of employees and related stakeholders with regards to a particular firm”. Argyris (1993) terms employer branding as “the sum of a company’s efforts to communicate to existing and prospective staff that it is a desirable place to work”.

Employer branding is referred to “the efforts of the organisation in communicating to internal and external stakeholders of what it makes it both desirable and distinctive employer” (Jenner & Taylor, 2008, p7). “Employer branding creates competitive advantage, helps in internalising organisational values and aids in the attraction of potential employees and retention of existing employees (Conference Board, 2001).

In the words of Van Dam (2006), employer branding is “a logical process through which companies reach one main goal: to have a strong appeal on their current and future ideal employees.” Chhabra & Mishra (2008, p57) define employer branding as “the process of creating an identity and managing the
company’s image in its role as an employer. An organisation’s brand lives in the mind of its customers- its employees”. Employer branding is defined as “A strategy of internal and external communication of the unique attributes that establish the identity of the firm as an employer and what differentiates it from others, with the aim of attracting and retaining potential and current employees” (Oster & Jonze, 2013).34

Manmohan Bhutani,35 VP, People & Operations, Fiserv India, articulates that employer branding is all about capturing the essence of the organisation in such a way that it engages current and prospective employees. It conveys an organisation’s ‘value proposition’- the totality of its culture, systems, attitudes and employee relationships, providing a new pivotal point for the organisation.

In contrast to product and service brands which try to reach consumers, employer brands focus more on the inside of the organisation (Maxwell & Knox, 200936, Backhaus & Tikoo, 200437). An employer brand, like a corporate brand, can be used by the organisation to meet labour market competition and achieve loyalty through its retention policies.

3.6 THEORETICAL FOUNDATIONS OF EMPLOYER BRANDING

The theoretical foundations of employer branding rests upon the premise that employees are the most valuable assets of an organisation and employers who have the expertise in human capital investment would benefit from higher performance and consist of Resource Based View (RBV), Psychological Contract (PC), Brand Equity, Person-Organisation fit and Social Identity Theory.

3.6.1 Resource Based View (RBV)

In the Resource Based View of the firm, the firm’s performance is affected by firm specific resources and capabilities. This implies that resources are allocated heterogeneously within an industry and organisations have to develop strategies to outperform competitors with the given resource bundles and capabilities. Resources of a firm include assets, capabilities, organisational processes, know-how, human capital etc. that enables a firm to formulate and utilise a certain strategy. Resources
may be categorised into physical capital resources, organisational capital resources and human capital resources. Physical capital includes technology, plant, equipment, location and access to raw materials. Organisational capital resources consist of structure, planning, controlling systems and relations between parties. Human capital resources include training, experience, judgement, intelligence, relationships and insights of employees. Not all of the aforesaid resources bring competitive advantage to the organisation. Only when resources are valuable, rare, inimitable and non-substitutable, it creates competitive advantage. These four attributes are possessed by employees. Human resources, though not a rarity, their skills, competencies, capabilities and high quality are limited. They are valuable in the sense that they facilitate the development of business. There may be plenty of people on the labour market with the required skill set. However, what may be rare, non-substitutable and difficult for competitors to imitate is a whole workforce that possesses those attributes and in addition behaves in accordance with a strong organisational culture that motivates the employees to increase their performance.

Resource Based View provides justification for investing in people through talent management, learning and development programs etc. Only when human capital is viewed as a source of competitive advantage that helps organisations perform and achieve their goals, they can be valued and efforts may be taken to attract and develop strategies to retain them. External marketing of the employer brand attracts talented potential employees and their assumptions of the brand supports the organisational values and improves their commitment to the organisation. Internal marketing of the employer brand creates a competent and inimitable workforce and contributes to employee retention by augmenting the concept of quality employment.

Resource Based View supports that Employer Branding practices bring value to an organisation via human capital and skilful investment in capital by suggesting that the features of these resources may contribute to sustainable competitive advantage especially that such resources are difficult to imitate which allows the company to grow ahead of its rivals.
3.6.2 Psychological Contract

Psychological contract and its impact on the relationship with the organisation and its employees form the second foundation of employer branding. Psychological Contract may be defined as “an individual’s beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party” (Rousseau, 1990). Morrison and Robinson (1997) define it as “an employee’s belief about the reciprocal obligations between the employee and his or her organisation, where these obligations are based on perceived promises and not necessarily recognised by agents of the organisation”. Levinson et al (1962) defines the concept as “series of mutual expectations of which parties to the relationship may not themselves be dimly aware but which nonetheless govern their relationship to each other”. Sims (1994) summarises Psychological Contract to be “the set of expectations held by the individual employee that specify what the individual and the organisation expect to give to and receive from each other in the course of their working relationship”.

Based on the above definitions, it can be understood that Psychological Contract is concerned with the perceptions of both parties to employment relationship, organisation and individual, of the reciprocal promises and obligations implied in that relationship about work, pay, loyalty, commitment, security, flexibility and career advancement. Psychological Contract may be relational or transactional. Relational Psychological Contract include long term job security, career development, training and development opportunities and include terms such as loyalty and stability. Transactional Psychological Contract refer to specific, monetisable exchange over a limited period of time and includes terms such as narrow duties and limited short term duration.

Employer branding seeks to present a range of features and benefits of the organisation and distinguishes itself from its competitors. However, not all employment experiences are explicit; therefore, Psychological Contract theory helps to explain this feature. Psychological Contract theory contributes to Employer
Branding as it helps to form the lining of the employment experiences of a company’s employment brand.

Organisations which provide a unique and attractive psychological contract will have a distinct employer brand. Conversely, the employer brand plays an important part in the formation of psychological contract and the accuracy of information depicted in the employer brand will contribute to the perception of fulfilment of the psychological contract. Hence, a consistent EVP is important. Employees’ trust in the organisation that it will fulfil its promises is essential to avoid negative outcomes related to violation of Psychological Contract such as diminished loyalty, reduced productivity etc. Traditionally, psychological contract is the promise of loyalty to the organisation by the employee in return for job security offered by the employer. However, this traditional notion is displaced by recent trends where employers provide skills through training and development in exchange for effort and flexibility. This has enabled employers to market the benefits offered by their organisation such as training, career opportunities and growth.

3.6.3 Brand Equity

The third foundation rests upon the marketing concept of ‘brand equity’. Aaker (1991)\(^4\) defines brand equity as “a set of brand assets and liabilities linked to a brand that add or subtract from the value provided by a product or service to a firm’s customers”. Keegan, Moriarty & Duncan (1995, p 323)\(^4\) define brand equity as “the value attached to a brand because of the powerful relationship that has been developed between the brand and customers and other stakeholders over time”. According to Feldwick (1996),\(^4\) “Brand equity is the total value of a brand, a measure of the strength of consumer’s attachment to a brand (synonymous with brand loyalty) and a description of the associations and beliefs the consumer has about the brand (referred to as brand image)”. “Brand equity is also the set of associations and behaviour on the part of the brand’s customers, channel members and parent corporation that permits the brand to earn greater volume or greater margins than it could without the brand name” (Leuthesser, 1988).\(^4\)
According to Aaker’s model (1991) of Brand Equity, it is a set of four categories of brand assets namely brand awareness, perceived quality, brand associations and brand loyalty. **Brand awareness** is the ability of a potential buyer to recognise or recall that a brand is a member of a certain product category. Brand awareness consists of brand recognition and brand recall. Brand recognition requires that consumers correctly discriminate the brand as having been seen or heard previously whereas brand recall requires that consumers correctly generate the brand from memory. **Perceived quality** is the customer’s perception of the overall quality or superiority of a product or service relative to alternatives. It cannot necessarily be objectively determined because perceived quality is itself a summary construct and provides the customer a pivotal reason to buy. **Brand association** is the thoughts and ideas that a brand name evokes in the mind of consumers. Brand associations take three forms. Brand attributes are those descriptive features that characterise a product or service. Brand benefits are the personal value and meaning that consumers attach to the product or service and brand attitude refers to the consumers’ overall evaluations of a brand which is formed on the basis of brand benefits. **Brand loyalty** represents a favourable attitude towards a brand resulting in consistent purchase of the brand over time. It is a result of consumers’ learning that only the particular brand can satisfy their needs.

Applying the principles of brand equity to employer branding, *Minchington (2011)* has developed an Employer brand equity model to group brand equity into four dimensions namely employer brand awareness, perceived employment experience, employer brand associations and employer brand loyalty.
**Employer Brand Equity** refers to the set of employer brand assets and liabilities linked to an employer brand, its name and symbol that add to (or subtract from) the value provided by an organisation to its employees. It influences the likelihood that a given employer will be chosen over a competitor due to its unique and favourable employer image that is conveyed through the employer brand. Brand equity generates positive affect towards the branded organisation.

**Employer brand awareness** is the recognition level that employees have about their organisation’s employment attributes. It can be positive or negative awareness about organisation’s employment attributes. It is the key factor in recruiting the right employees. **Perceived employment experience** is the association that employees have about working for the organisation. It is the central element in an employment relationship. It refers to how an employee perceives the process of value exchange and is the total of ‘functional, psychological and economic benefits’ that the employee experiences. **Employer brand associations** are the thoughts and ideas that employees have about their organisations including image, personality, symbols and emotional attributes and may contain the meaning of and employer brand for the employees. It can be original, in terms of the sources upon which it has been built, or an influence from existing associations. **Employer brand loyalty** is a person’s commitment to remain with the organisation due to the positive associations with their organisations. Loyalty can also be established by positive behaviours such as word of mouth advocacy. The element of loyalty to an employer brand is applicable only to individuals who have experienced the employer brand (i.e. the employees) which they develop through their overall attitudes towards their employer. Loyalty in employer branding can be reflected in various forms, including attaching self to, and caring for, a relationship with an employer.

Employer Image is the attitudes of potential applicants and perceived attributes about the job or organisation. It refers to the association towards the employing company that are conveyed through its employer brand, which can be further specified by means of instrumental and symbolic image facets or attributes. Employer Attractiveness can be defined as the envisioned benefits that a potential
employee sees in working for a specific organisation. It is an antecedent of employer brand equity and is influenced by employer image. The envisioned benefits can be conceptualised, just as employer image attributes, through instrumental and symbolic features which have to convey favourable associations in order to contribute to attractiveness.

Employer brand equity is the desired outcome of employer branding resulting in employee retention. In terms of employer branding, employer brand equity refers to the willingness of employees to continue working for their current employer. Current employees and potential employees react differently to similar recruitment and retention efforts of organisations due to the underlying employer brand equity which differs from company to company. Employer brand equity harmonises the theoretical understanding of employer branding. It signifies the impact of brand knowledge on prospective and current employees of the organisation which helps in retaining its employees. Employer brand equity encourages potential employees to apply to the organisation and existing employees to be loyal and stay with the organisation. It is the desired result of employer branding efforts of the organisation.

3.6.4 Person-Organisation Fit

According to Kristoff (1996), Person-Organisation Fit is “the compatibility between people and organisations that occurs when at least one entity provides what the other needs, or, they share similar fundamental characteristics or both”.

Person – Organisation Fit is the congruence of an individual’s beliefs and values with the culture, norms and values of an organisation. Person – Organisation Fit demonstrates relationship with three very important outcomes namely work attitudes, turnover and job performance. The link between work attitude and Person – Organisation Fit is stronger and more robust; the better the fit, the higher is job satisfaction and commitment of an employee. Person – Organisation Fit also affects the job performance, if the fit is less, performance also seems to be lower.
People’s fit with the organisation associates a person’s personality, goals and values with those of the organisation. People’s values are important attributes on which to establish fit. Instrumental work values relate to work benefits, job security and success at work. Cognitive work values relate to belief system, contributing to society and having meaningful work. Affective work values are related to feelings and emotions, good relationship at work. This theory contributes to the understanding of employer branding because individuals are attracted to organisations that match their value and do not stay attached to the organisation when they feel that organisational values do not align with their personal values.

3.6.5 Social Identity Theory

According the Social Identity Theory, individuals define themselves as people in terms of the group they are, or wish to be part of. That identification, a perception of oneness with or belongingness to a group, occurs even if the experiences with that group’s success or failure are indirect. An individual’s identification to a group require no interaction, cohesion or leadership experience and occurs even when conflict is present and group affiliation is personally painful. The fact that group identification is highly associated to symbolic benefits such as group’s distinction and prestige could explain the willingness of individuals to be part of such suboptimal situations. Group identification is also associated to the group’s positioning relative to a competitor, as people stick to the side they identify most. As positive employer brand associations and image are developed, potential employees tend to seek membership with the organisation for the sense of heightened self-image that membership promotes.

This theory can also be applied to current employees. According to this theory, organisational identity is the central, permanent and unique character of the organisation which encourages employees to identify with the organisation. This theory contributes to the understanding of employer branding because when organisations use their employer brand, they expect to present its central, permanent and unique characteristics. Potential and current employees are attracted to some features of the employer brand and this attraction can be explained by organisational
identification. Employees are more likely to identify themselves with their organisation when it has a positive employer brand, positive reputation and values which align with their personal values.

3.7 EMPLOYER VALUE PROPOSITION

The Employer Value Proposition (EVP) is modelled on the traditional marketing concept of Unique Selling Point (USP). USP refers to the organisation’s competitive advantage and when used in Employer Branding area, is called as EVP. 

Sparrow & Cooper (2003, p160) define EVP as being “...a human resource management policy influenced very much by marketing thinking that cuts across the whole of the employment experience and applies to all individuals of the organisation. It is the application of a customer value proposition-why should you buy my product or service-to the individual-why should a highly talented person work in my organisation? It differs from one organisation to another, has to be distinctive as a fingerprint, and is tailored to the specific type of people the organisation is trying to attract and retain”. The EVP aims at inducing positive brand association and hence a favourable employer image. It encompasses the most important employment benefits (instrumental attributes) as well as key organisational values (symbolic attributes), which reflect the organisation’s identity.

Botha et al (2011) define EVP as “the distinctive total employment experience or unique financial and non-financial offering provided by an organisation in return for skills, capabilities and experiences an employee brings to the organisation; it helps to establish a differentiated positioning relative to other employers by adding impetus to the employer brand”. The EVP communicates to employees that the organisation is the ‘best place to work’. It is the core of employer branding and comprises of compensation and benefits, work environment, product/company brand strength, work-life balance, culture and environment. The EVP is derived after careful considerations of the dimensions that make the organisation a great place to work and through EVP, the organisation communicates the value that is being offered to prospective and current employees.
The EVP is formed by the combination of the organisation’s identity, profile and image. Identity requires the firm to know what they are as an organisation which implies looking internally to understand the employees’ perception of the employer. Profile relates to what an organisation wants to be as an employer now and in the future. Strategic views of top management form the profile and also link the employer brand to the organisation’s corporate and consumer brands. Image is the way the firm is viewed as an employer by potential target groups. It is through the image that the firm presents itself to the public and accurate communication aimed at the appropriate groups is essential to avoid distortions of the brand image.

![Diagram of Employer Value Proposition](image)

**Fig. 3.3 Identifying the Employer Value Proposition (Dyhre & Parment, 2009)**

The EVP must give a reason for employees to work for the organisation. It may be interpreted as promises made by the firm to its employees, eventually becoming one of the firm’s competitive advantages. At that level of success, employees and management instil the EVP and the brand within the organisation’s culture and daily operations. When successful, the EVP is perceived as true, attractive and differentiated from competition. As a source of employer brand differentiation in an organisation’s own brand portfolio, the EVP complements the
benefits brought by its other brands, i.e. product brand. In differentiating the employer brand, the EVP acts as a pure representation of employer brand identity.

![Diagram of an EVP along 38 attributes]

**Fig. 3.4 Corporate Leadership Council Employer Value Proposition Survey, 2008.**

Based on the figure above, Rewards, People, Work, Organisation and Opportunity are the key attributes of an EVP which are very important for attraction and retention of employees.

An increase in the visibility of the EVP motivates existing employees to continue with the firm and give their optimal performance. This sense of association and pride in the employer’s brand leads to a reduction in the attrition of the firm which strengthens the stability of the workforce.

### 3.8 EMPLOYER BRANDING PROCESS

Employer branding is a three step process. Based on the organisational culture, management style, traits of existing employees, employment image and impressions of product or service quality, the organisation should develop a ‘value proposition’ that is to be incorporated in the brand. The ‘value proposition’ thus created represents the value offering of the organisation to its employees and indicates the fundamental message that is communicated by the brand.
In the second stage, the ‘value proposition’ is marketed to potential employees and other labour market components like recruitment agencies, placement counsellors etc. Such external marketing of the employer brand attracts talented employees to the organisation and also enriches the product/corporate brand. The employer brand should be consistent with other branding initiatives of the firm.

The third stage of employer branding is internal marketing of the employer brand which aims to take the ‘value propositions’ to the existing employees so that employees who are committed to the values and goals of the organisation may be developed and retained.

3.9 DIMENSIONS OF EMPLOYER BRAND

Simon Barrow & Richard Mosley, in their book “The Employer Brand: Bringing the Best of Brand Management to People at Work” (1996), have developed a list of twelve key dimensions which is referred as the employer brand mix. The twelve dimensions are divided into two broad groups, the first relating to wider organisational context and policy and the second, local context and policy. Each of these elements represents key ‘touchpoints’ for the employer brand.
Big Picture: Policy

(i) External Reputation: An organisation that is capable of delivering a good external brand experience is also likely to be a good quality employer. The same can be said of companies that are known to financially successful. Employees feel very proud of working in organisations that are well known and well-spoken of externally. It provides people with recognisable status and a positive image that they will be more likely to advocate and line up to in their interactions with external parties.

(ii) Internal Communication: All internal communication should be regarded as employer brand communication, as every piece of communication says something about the organisation. A more employee-centric view of internal communication should be adopted by way of content management, managing style of communication, feedback and monitoring.

(iii) Senior Leadership: The leadership team has one of the most critical roles to play in both reinforcing the credibility and conveying the ‘spirit’ of the employer brand. The leadership team has a significant role to play in not only communicating the proposition but also in embodying the employer brand and its associated values in everything they say and do. Senior leadership team should constantly be aware of the impact of both their words and actions in shaping employees’ perceptions of the organisation.

(iv) Values and Corporate Social Responsibility: An organisation’s Corporate Social Responsibility activities should be regarded as an important element within the employer brand mix and not simply an exercise in ‘doing the right thing’ or bolstering the external corporate reputation. Two of the most important employee related aspects of corporate social responsibility are diversity and work-life balance. Diversity now extends well beyond ‘equal opportunities’. It now encompasses a more far-reaching respect for individual differences in all tier forms. A commitment to work-life balance encourages people to find a balance in their lives which allows them to perform at their best.
(v) Internal Measurement Systems: “What gets measured gets done”. When internal measurement systems are in place, employees feel assured that the company takes its proposition to employees seriously enough to measure it, publicise it and act upon it.

(vi) Service Support: The quality of the service support that employees receive internally—either when they need something urgently to satisfy a customer, or when they need help in responding to something more personal—represents a critical moment of truth for the employer brand. Poor performance in this area can totally undermine the organisation’s efforts to promote brand engagement. No amount of internal communication on the brand or customer focus will make up for the disengagement that can result from employees feeling devalued by their own experience of work.

Local Picture: Practice

(vii) Recruitment and Induction: Recruitment is seldom regarded as a transaction by new employees, but it often appears to be treated that way by employers. The recruitment process is increasingly being tailored to identify the types of people who will have a natural affinity with the organisation’s brand values. The induction process is important as it represents a golden opportunity to dramatize the character of the organisation, what it expects of its people and what in turn the individual employee can expect from the organisation.

(viii) Team Management: The day-to-day quality of local management plays an important role in shaping the employer brand experience. This demands an involvement of leadership development and training which should support the behaviour required to deliver the employer brand proposition and high levels of employee engagement. Lack of such support will represent a major weakness in the long term credibility and sustainability of the employer brand.
(ix) Performance Appraisal: The extent to which the core values were embedded in the performance management process is one of the most important factors in grounding the values in people’s everyday behaviours. Clarity is required as to how rigorously it is followed; whether employees are clear about what is expected of them and how they will be judged, whether the appraisal is done properly and whether people are prepared to deal with poor performance.

(x) Learning and Development: Learning and Development represent vital components of the employer brand offering. They influence both the organisation’s general attractiveness to new recruits and its ongoing ability to maintain high levels of employee engagement. Though training and career development are important to strengthen the employer brand, employees feel their employers could do a great more to improve their offering in this area. Since this aspect of the employer brand mix appears to be generally weak, developing a more robust ‘development contract’ represents a significant opportunity for organisations to differentiate their employer brand.

(xi) Reward and Recognition: the financial dimension of the employment package is always going to provide a baseline for the brand. While reward in a major recognition, it is only of many. Feeling valued is a critical factor in recognition. Whether through prize giving or incentive schemes or a general management tendency to offer praise for work well done, recognition is one of the simplest and most direct ways of demonstrating that people matter.

(xii) Working Environment: the quality of people’s working environment appeared to be a significant factor in determining the importance of employer brand. Employees working in modern, well-furnished office tended to be far more positive than those working in some of their older, less well-appointed sites. Organisations should shape their office environment to reflect the core values and personality of the organisation.
3.10 ESSENTIAL ELEMENTS OF EMPLOYER BRANDING

Employer branding works by consistently putting forth an image about the management and business practices that makes an organisation an attractive, “good place to work”. Successful employer branding increases recruitment quality reduces turnover and increases overall productivity of employees. In order to be successful, employer branding must consist the following eight essential elements:

(i) A culture of sharing and improvement: For an employer branding effort to succeed, organisations should bring to light its best management practices. The foundation element of a good employer brand is a senior management team that encourages, measures and rewards the development and sharing of best practices. This element can be strengthened by the development of processes that enable rapid sharing of best practices.

(ii) A balance between good management and high productivity: The primary foundation of any employer brand is the organisation’s management practices. However, too much concentration on management practices results in less focus on productivity. In order to ensure a strong employer brand as well as improved productivity, firms must measure and reward balance between the use of good management practices and efforts to improve employee productivity.

(iii) Obtaining public recognition: Increased interest in employer branding during the past decade has been a direct result of the increased number of organisations and magazines that create lists of great places to work. This exposure increases the credibility of the organisation and reinforces the mind set among target audience that the organisation is a good place to work.

(iv) Employees “proactively” telling stories: One of the prime attributes of a great employer brand is that employees go out of their way to tell stories about the firm’s management, business practices and impact on their life, voluntarily. An employee spreading the work about the organisation being a good place to work is more significant than the organisation itself
spreading such word. No firm or outside consultancy can declare an organisation a good place to work, that designation must come from the employees themselves. Having employees proactively telling stories within the organisation builds pride and increases retention.

(v) Getting talked about: Getting talked about or written about has become an essential element in building a strong employer brand. Getting talked about requires two basic components. First, managers must speak and write about their management practices in highly visible ways. Second, these best practices must be written and cited in the business press. This would exponentially increase the chances of growing the organisation’s exposure.

(vi) Becoming a benchmarking firm: The best managed firms are those also known as benchmark firms. Benchmark firms have best practices that the others want to learn about and emulate. A great brand requires management to participate in major benchmarking studies and to make a conscious effort to respond to those that highlight the best practices.

(vii) Increasing candidate awareness of the best practices of the organisation: Each major business function should make it part of their performance objective to educate potential applicants about their best practices. It entails highlighting best practices in recruiting materials, its annual reports and the company’s website. As potential employees educate themselves about the company through the employer’s website, it is essential that the corporate website contains information that educates and excites applicants about the company’s management and business practices.

(viii) Branding assessment metrics: Employer brand must continually change and improve. The key to that continuous improvement is the use of brand assessment measures or metrics. Branding metrics should become part of the assessment criteria for all the major business functions. What is being measured, talked about and rewarded sends a clear message to everyone about what is really important.
3.11 BENEFITS OF EMPLOYER BRANDING

The general benefits of employer branding are:

(i) Lower costs: While the primary role of brands is generally to add value, strong employer brands can also help to reduce costs. The most significant area in which costs can be reduced is in recruitment. The cost of replacing employees represents a significant burden in most industry sectors. Sick absence cost is also a major cost burden to many organisations. While recruitment, retention and sickness absence represent some of the most clear-cut areas in which costs can be saved, high levels of organisational engagement can help to reduce costs across a number of other less obvious areas.

(ii) Customer satisfaction: Differentiation in the market place is generally reliant on the overall quality of the service experience and this experience is heavily reliant on the way in which employees behave towards customers. While employees’ understanding of the customer brand proposition is clearly important, it is generally accepted that the motivation to truly ‘live the brand’ requires a more general commitment to (and from) the organisation. Most research in the employees’ role in delivering customer satisfaction has therefore focused on the broader concept of employee engagement and commitment to the employer brand.

(iii) Financial results: While reducing costs and increasing customer satisfaction provide a strong business rationale for focusing greater attention on the employer brand, the case ultimately rests on demonstrating a clear link between the strength of the employer brand, high levels of employee engagement and financial performance.

This chapter on conceptual framework portrayed an overall view of employer branding and its origin from branding theory. It touches upon the meaning
of brand and branding, employer brand and employer branding, employee value proposition and establishes the relationship between corporate branding, internal marketing and internal branding. It also elucidates the theories upon which the foundations of Employer Branding rest. Dimensions of employer brand and the essential elements of employer branding were also discussed. The impending chapters will discuss in detail, the research methodology and statistical analysis carried out by the researcher to satisfy the objectives of the study.
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