EMPLOYER BRANDING: A STRATEGIC TOOL FOR RETENTION

C.LALITHA

Associate Professor

Keshav Memorial Institute of Management

Hyderabad

ABSTRACT

In the modern economy of cut throat competition the buzz word employee branding is essential for competitive advantage. Employer branding is about building the overall image of the organization both internally and externally .Most of the companies are focusing to create a powerful image for the organization as a dream place to work. The paper explains the internal and external focus to emphasize the conceptual images of employer branding and how it is helped to attract and retain talent in the era of employee attrition.

Keywords: Employer branding, Attrition, Retain talent.

INTRODUCTION

In the modern economy of vibrant competition the one word which is making its presence is employer branding. Branding today no longer confines to the arena of products and services it is today being extended to the entire company. Employer branding is essential strategy for gaining competitive advantage. Indian companies are becoming internationally strategic to utilize the employer brand to attract and retain talent which leads to expand and growth of the business. Employer branding supports the Companies to develop loyalty of employees towards the company they work for. Employer Branding was first conceived in the early 1990s.Accoring to Tim Ambler and Simon Barrow "Employer Branding is a glue which hold the different components of the organization together for ensuring staff loyalty, commitment and better performance which will further lead to customer loyalty, advocacy and customer satisfaction.

The 21st century has made wide changes among the 3 Rs of HRM i.e. Recruitment, Retaining and Retirement the major winning edge strategy is all about managing retention. Most of the organizations believe that employees need them more than they need their employees. But unfortunately this is no longer true, especially when speaking of the most talented and productive resources. Employees today are eager to jump from one organization to other for a

better opportunity than ever has been true in the past. Employee attrition has become a crucial issue in most of the organizations.

CHALLENGES FOR HR

The modern HR manager faces a new challenge of retaining employees   in the organization as it has been noticed that it is the most productive worker who leaves the organization. Every time you lose a valued employee, you're loosing everything. The best strategies has to be framed by the corporate to retain the employees. Retention Strategies helps organizations to develop the loyalty   and commitment among the workforce and support key corporate initiatives. Employer branding is the best strategic tool for retaining employees. Retention has become the uphill task to the corporate but the employer branding has become the ladder to reach the task. An effective employer branding strategy can create waves in the era of war of talent. The   companies like Infosys, TCS, Tata Steel , CEAT establishing their brand as a best place for working and also attracting the best talents across the world.

Levering   (1996) has opined that a good workplace is believed to produce higher quality products, support more innovation, have the ability to attract more talented people ,and experience less resistance to change and lower turnover costs, all of which translate directly into a better bottom line. According to Sutherland, Torricelli, & Karg (2002), in organization's skilled employees are hard to attract and difficult to retain and it has become critical to us in success. The employer branding is used for corporate identity and reputation which communicates its image to current and potential employees. Luthans and Peterson (2002) have found employees who are engaged in their organization with satisfaction demonstrate good performance and achieve success.

Armstrong (2006) opined that employer branding is the process of creating brand image of the organization for potential employees. According to Ritson (2002), organizations with strong employer brand can potentially diminish the cost of employee acquisition, improve employee relations and improve employee retention. Beunger (2006) stated that for the success of an organization, the focus must be on retaining the talent which contributes to making the organization successful in the market.

According to Allen et al (2010) the encouraging impacts of retention are recognized as increased sales growth and improved employee morale in conjunction with organization's profitability and market value. • Wheeler et al (2006) states that organizations with strong culture and experience have better retention of employees in addition to satisfaction and commitment.

Employer branding helps in improving the recruitment process of an organization, which helps to reduce recruitment costs. It also plays an important role in improving a company's employee retention which results in reduction of employee turnover. It is very important that while developing a positive employer brand in organizations, managers must understand the importance of certain factors which play an important role in attracting possible employees to the firm (Alniacik et al. 2014). • Employer branding is a contemporary approach, which is continuously expanding and it can increase the firms' reputation in attracting and retaining employees (Ahmad and Daud 2016).

Vijayakumar & Ananthanarayanan, (2016) through the data mining highlighted some of the crucial reasons for attrition of employees such as career growth, working hours, personal/family reasons, working condition and salary package. But the factor,

employer branding could not find a place in their study, which play a vital role to reduce attrition in this competitive market. Extending the importance of employer branding as above, Kavitha & Jublee, (2015) discussed the concept of employer branding in which they stated that employer branding is a retention strategy that ensures the organizations is able to attract, engage and retain the most valuable resources that is human capital

According to (Ooko & Nzulwa, 2017) it was observed that employer reputation, employer culture and employee job attributes all had a positive and significant relationship with employee retention. They also state that employer image had an insignificant relationship with employee retention.
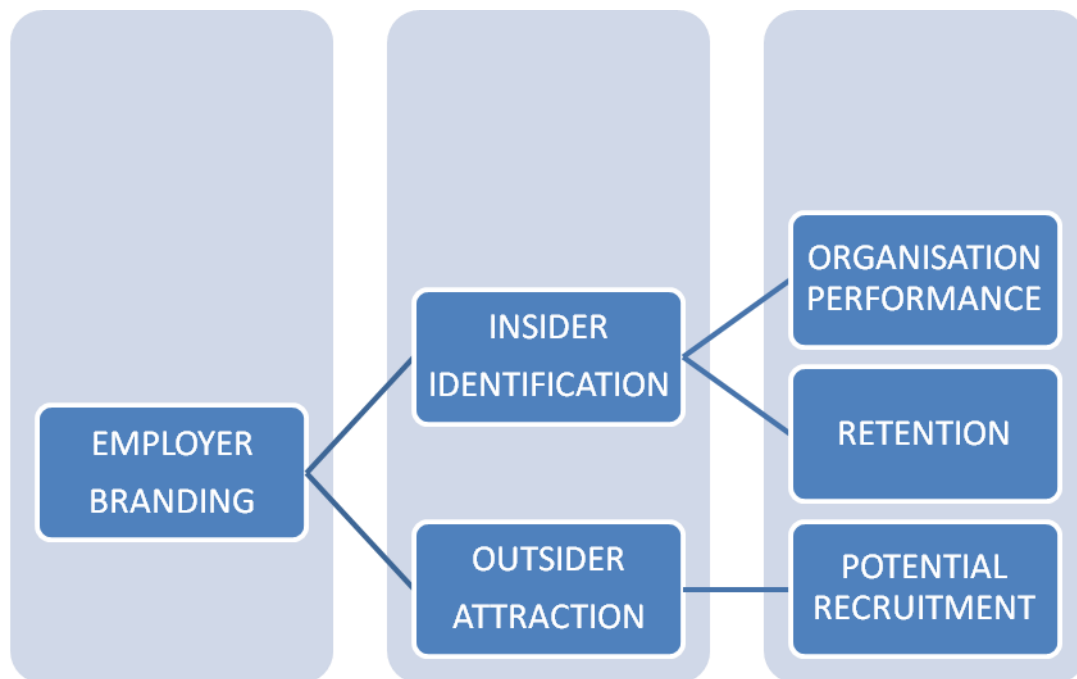
There are two types of employer branding exercises. One is for prospective employees and the other for the current set of employees. In case of the prospective employees the employer branding initiatives are targeted at building mind share in potential recruits about the company as a preferred place to work. This can be in the form of communication through advertisements, third-party endorsements through the media or going to campuses. For the Internal employees its gives an identification which is recognition for them in turn leads to better performance and retaining them in the organization.
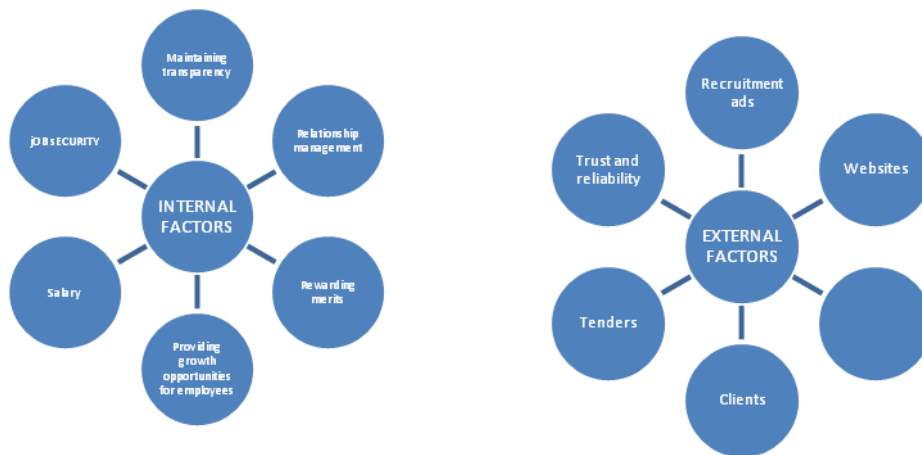
External factors provide the information of companies characteristics to clients, partner and public through various channels such as publications, Internet. Recruitment agencies, employers and so on.

1. **Recruitment ads**: Recruitment ads convey about the Company to the potential jobseeker the values and the general business purpose, payment capability and job profile.

2. **Websites**: It gives the insight in to the company its reasons for existence, profile of its products and builds a point of connectivity with the information seeker.

3. **Tenders**: The purchase department of an organization invites tenders, which is a means of external communication to supply the vendors.

4. **Clients**: Companies connectivity with the clients is through the exercise of brand building because of which clients categorize companies in to good service providers & vice-versa.

5. **Trust and Reliability**: Trust and Reliability is an external tool of brand building as in the case of employer brand Infosys.

Internal factors represents the reference points for employees such as job security, rewarding merits, maintaining transparency, keeping up promise, providing benefits and prerequisites which a play an important role in retaining them in the company.

1.**Job security**: Job security helps in employer branding as it brings in employee security in the age of pink slips.

2. **Salary**: Employees join in organization for a basic life support financial package called Salary, which goes a long way in establishing a company as an equal opportunity employer

.3. **Relationship management**: Maintaining relationship with the internal customers happens through employer branding, team building and mentoring which adds a value propositions employer branding.

4. **Rewarding merits**: Merit in a organization duly recognized and honored is valued by the employees and helps in employer branding.

5. **Maintaining Transparency**: Open communication helps in maintaining transparency, which goes a long way in image b building ritual.

6. **Providing growth opportunities for employees**: If people are well taken care of and if there is growth happening with in the organization it definitely leads to minimizing of attrition and holistic growth of both organization and its employees.

THE GOLDEN PRACTICES TO BUILD EMPLOYER BRAND

- Inspiring individuals to perform better.
- Building a high bonding culture.
- Motivating the work force.
- Boosting employee loyalty.
- Bringing in participation from the close family and relatives and in turn increases visibility.
- Tool for employee engagement.

BENEFITS OF EMPLOYER BRANDING

The Conference Board (2001), who in 2001 did a survey amongst affiliated companies, states the following reasons for companies to engage in employer branding, which comes from the companies themselves:

- Achieving a reputation as an employer of choice.
- Facilitating integration following mergers and acquisitions .
- Helping employees internalize the company's values
- Recruiting employees
- Retaining employees

EMPLOYER BANDING A STRATEGIC TOOL FOR ATTRITION

To crub the attrition and retain the employees employer branding is the best effective strategic tool. Employer branding which helps in minimizing the training and development costs brings in cost saving by retaining employees. Externally, candidates perceive the employer brand as a promise for an expected employment experience. Internally, employees perceive the brand as how well you deliver on that promise and how well they fit within your organizational culture. Internal branding helps improve employee retention and productivity through programmes that build job satisfaction and motivation, while reinforcing brand messages traditionally targeted to external audiences. By using it, companies incorporate brand messages across all internal activities like training, orientation, team-building and more, through a mix of branding, organizational development and employee communications strategies. Employer branding results in successful recruitment and retention of employees.

References:

1. Brand Management Text & Cases, U.C. Mathur, Macmillan India Limited, 2006.

2. K.Mallikarjunan, Employers' Brand Image with HR Appeal, HRM Review, The ICFAI University Press, June 2006.

3. PVL Raju and Chaitanya, Employers' Brand protecting the Esteem of Employees, HRM Review, The ICFAI University Press, June 2006.

4. .Radha Mohan Chebolu, Making of Employers' Brand The Relevance of Human Intellect and Energies, HRM Review, The ICFAI University Press, June 2006.

5. Strategic Brand Management, Noel Capferer Kogan, Page India Pvt Ltd, 2000

 Web Resources:

http://www.airsdirectory.com/mc/training_employment_branding_series.guid;jsessionid=B6AC5597FAC7C114018FFD3D64A20767

http://economictimes.indiatimes.com/Features/Corporate_Dossier/Perception_Vs_Reality_/rssarticleshow/msid-2325715,curpg-2.cms

http://knowledge.insead.edu/abstract.cfm?ct=16695

http://bprao.wordpress.com/2007/08/

http://galtglobalreview.com/careers/employer_branding_1.html

http://www.humancapitalinstitute.org/hci/tracks_employer_branding.guid

http://www.nasrecruitment.com/MicroSites/employmentbranding/Articles/featureEB.html