

Employer Branding An Essential For Human Capital Strategy

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Abstract

In marketing lingo, a brand is the symbolic embodiment of all the information connected with a product or service. A brand typically includes a name, logo, and other visual elements such as images or symbols. It also encompasses the set of expectations associated with a product or service which typically arise in the minds of people. Such people include employees of the brand owner, people involved with distribution, sale or supply of the product or service, and ultimately, consumers. This paper discusses the most important stakeholder of a brand - the employees and how organizations create an employer brand. Employer brand, simply put, is an organization's "trust mark" - the USP, the image, and the personality. It communicates the employer brand promise and what's in it for the employee in the business.

Key words: Internal branding, E- Branding, Corporate culture

I. INTRODUCTION

An employer brand is about capturing the essence of a company in a way that engages employees. It conveys the company's "value proposition" - the totality of the culture, systems, attitudes, and employee relationship. And it encourages employees to embrace and further shared goals - success, productivity, and satisfaction - on personal and professional levels. All in all it tells to take pride in the organization. Employer branding is all about the company's value in the market, a timeless process that in today's scenario has gained even more significance. It is essentially a combination of the reputation of the organisation, the career offer and the corporate culture existing in the company.

Typically, 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 former, the employer branding initiatives are targeted at building mindshare 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. Internal employees might not know about all the product or solution offerings of the company and it becomes necessary to inform and educate them. Companies that understand employer branding know it's a vital strategic driver. Through your value proposition, you attract ideal candidates and compel your workforce to be a powerful advocate - fostering your ability to maintain market share, maximize profitability, and achieve present and future success.

II. TWO SIDES OF THE BRAND

Marketers distinguish the psychological aspect of a brand from the experiential aspect. The experiential

aspect consists of the sum of all points of contact with the brand and is known as the brand experience. The psychological aspect, sometimes referred to as the brand image, is a symbolic construct created within the minds of people and consists of all the information and expectations associated with a product or service. Marketers seek to develop or "align" the expectations comprising the brand experience through branding, so that a brand carries the "promise" that a product or service has a certain quality or characteristic which make it special or unique. It all started initially with familiarising the employees with the organisation's values, its culture. The first group of employees was then treated as brand ambassador who spread forth the message. This did not stop here. The first small step towards the branding exercise was taken through providing each and every employee with a branded lanyard. Internal branding is further strengthened by creating a corporate film that was run throughout the organisation. Taking it a step further, all the recruitment advertisements reflected the value and culture of the company. Step by step the brand was grown internally through events, occasions, roadshows etc. Externally, advertisements, job fairs, hoardings helped in cementing brand image.

III. THE CONCEPT OF HUMAN CAPITAL

HR is fast shifting from being activity-based to playing a strategic role. It is time HR learnt from the business side, donned the intra-preneurial hat and captured imagination, to garner mindshare as well as internal customer loyalty. There is a need to view people not as mere resources but as assets/capital. This fresh perspective brings forth the need for a human capital strategy. Capital is typically defined as produced commodities, which are used in the production of other goods and services.

Human Capital is defined as the aggregation of the innate abilities and the knowledge and skills that individuals acquire and develop throughout their lifetime. The former represents a potential, which is received free of cost by individuals (and organizations as a whole), while the latter is the actualization of this potential mostly through individual efforts involving a cost.

Both components enhance the productivity of individuals in the production of goods, services and ideas within market as well as non-market environments. The war for talent is every recruiter's nightmare. And winning wars is about planning and strategy. As organizations spend huge amounts of money running advertisements and conducting interviews, doesn't that mean we are interviewing similar candidates? And are these the right kind of candidates? The one's who are doing good work, are well recognised and are comfortably working in good companies. Every organization needs this 'talent'. So, how do we inspire them to apply or even consider what we have to offer? They would, most of the time, not even look at a single advertisement, except maybe for a cursory glance.

Employer branding is one of the essentials of a well-thought-out Human Capital Strategy. The exercise need not require truckloads of money, but some innovative thinking. With human capital ever more essential to sustaining growth and creating shareholder value, company leaders need to create an employment brand that attracts the best talent, just as they create a consumer brand that builds customer loyalty. This entails much more than offering competitive pay packages or stock options. We find a discernable set of common organizational features that impact the behavior of most segments of the workforce, enhancing the organization's effectiveness and employee satisfaction and motivation:

IV. THE INDIAN IT SCENARIO

The IT industry being people-oriented, what differentiates the best from the rest is the "quality of human capital" in every organisation. While there is plenty of talent available, the difficulty comes in finding the talent with the "best fit" to the organisation. Potential employees would like to associate themselves with companies which have a "brand" of success, leadership, people development initiatives and also instill a deep sense of pride and commitment. Not much effort has been made by organisations to improve their corporate image internally. However, with increasing global competition and a more mature work environment, Indian IT companies have also started looking at this facet of branding.

Employer branding has become more critical in today's times, as most professionals are looking at a stable career and establishing a long-term relationship with the

company. It is often said that an unsatisfied customer tells ten people about his experience while an unsatisfied employee tells a hundred. Employer branding reflects the work culture in an organisation. Therefore, it is of much significance. Through right branding, the company can recruit the best talent and reinforce its positioning amongst its employees. A survey conducted by Hewitt Associates reveals that more companies are now focusing on employer branding to "attract employees" and keep them engaged. There is a direct correlation between an effective employer brand and achieving business success. It helps in retaining current employees, increasing employee satisfaction, attracting job candidates, and motivating employees in their work, which leads to excellent business gains. The purpose is to use the internal brand as the seedbed for aligning their people programmes to deliver significantly improved business results.

This is evident from some of the recent initiatives taken by organisations to make the workplace more employer-friendly and implement development concepts like "spiritual quotient" and "value-building". Some companies have gone even further and appointed "internal branding consultants", targeted to have a better relationship with their employees. For example, Texas Instruments, whose brand mantra is "conscious" and "consistent", which gets reflected in all their activities, be it company journals, awards or regular meetings. HCL Comnet, whose brand value signifies "exuberance", has developed a "Force of One" campaign that signifies innovative attitude and the ability to individually make a difference. Or Cognizant, whose employer brand is "Celebrating Work", which gets reflected in its participative, empowering and transparent work environment.

Cap Gemini Ernst & Young on the other hand, likes to lay emphasis on both internal and external customers. Paying attention to what matters to employees, and then delivering on that promise, keeps CGE&Y at the top of the list for the most talented employees. The greatest goal of Cap Gemini Ernst and Young is to be the 'Employer of Choice', a company that can deliver a wide range of career opportunities, a company known everywhere for its ability to develop top professional talent delivering work of top professional quality. In many organizations, Maslow's hierarchy of needs is as the basis for categorising retention programmes and selecting a broad range of programmes which can best address employee motivation and satisfaction issues.

It also gets reflected in the kind of advertisements taken out by the companies. Till recently, employment ads were just showing the job description of the vacancy. The focus in the last two-three years has shifted and is largely

driven by the IT & ITES employers, to create a powerful image for the organisation as a “dream place to work”. In the ITES industry, the job of a customer service agent is more or less the same irrespective of the company he is working in. What differentiates one ITES company from another is largely its employer brand image. This depends on a whole host of factors like how successful the company is perceived to be; what is the vision and mission; what kind of work culture they have; what kind of career growth opportunities they offer, etc. More innovations within organizations are made to improve the corporate image. Training programmes, motivational classes, employee career plans have become a common phenomenon now days. These things are employee deliverables. What organisations would be aiming towards is not employee satisfaction but employee delight!

V. INTERNAL BRANDING

Internal branding needs to be seen as a leadership practice that aligns all actions and messages with the organisation's vision and the core values that it lives by. It is intrinsically linked with the external brand image how internal customers see the company directly affects how investors and customers perceive the organisation. Employees are after all the best brand ambassadors of an organisation and their perception is visible in every customer interaction. What adds significance is that internal brand building needs to be related to business objective of the organisation.

- By leveraging internal communication, one can align your internal and external communication goals to help support overall business objectives.
- It is the best way to enable employees make an emotional connect with the service offerings and align the employee mindset with the organisational goals and objectives.
- It leads to an increase in the efficiency and productivity levels of employees, which in turn makes customers happier.
- A motivating factor to work for a leader and a well-known brand in the space; directly impacts employee churn.
- Culture and values have always been an important factor in business success. Internal branding plays an important role in creating a focal point for defining the culture.

Some companies are realising that it is just great business sense to focus on their people as much as on their customers. Satisfied employees will get their friends to join the company thereby reducing recruitment costs.

Disgruntled employees bring down the morale of the place and frighten prospective employees. And yet a carefully devised, consistent, well executed internal communication programme can reduce attrition and improve employee morale.

VI. JOB FAIRS AND E-RECRUITMENT

Popular weekend job fairs enable companies and headhunters quickly to hire young workers, often with little or no experience, to fill tens of thousands of vacancies created by India's outsourcing boom. India's software and business service industries, from computer coding and call centres to accounting, equity research and engineering design, are expected to grow further to a great extent. Similar growth will follow in these industries' English-speaking workforce of 1 million. Industry officials say services like retail and telecoms will create two million jobs in India in the next two years. At the job fairs, many of these positions will be offered on-the-spot, subject only to reference checks. Companies are able to recruit without intermediaries and the fair is important for branding as an employer.

Jobs are just a click away. The rapidly growing online recruitment market is witnessing a competition between jobsites and organisational websites to attract the right candidates. The past year has shown major growth in e-recruitment advertisements, which cost 80 percent less than newspaper ads and is about 10 times cheaper than hiring consultants. However, when it comes to assessing the exact impact of the advertisements, very little is known. The focus is still on collecting data, saving time, cutting costs and having a wider reach. And for the job seeker, the concern is choosing the right ad among the thousands.

Organisations like Wipro have invested a lot in terms of people, processes and software for making their recruitment process a robust one. While the company seeks jobsites to help generate a database, the processing of applications is done in-house, which is as per the organisation's requirement. Besides this, the company also encourages job seekers to directly apply on their website, which not only helps them create a brand, but a better relationship. For this the company has also created a separate form, with in-depth options for an individual to fill in.

VII. USAGE OF PUBLICITY, PUBLIC RELATIONS, CORPORATE ADVERTISING

Publicity-It is any unpaid form of non-personal presentations of the ideas, goods or services. Of course, publicity people are paid. But they try to attract attention to the firm and its offerings without having to pay media costs. If a firm has a really new message, publicity may be more

effective than advertising. Any business is only as good as the number of people who knows about it. For a venture to grow, there is a need to start spreading the word about your business. People find a write-up or special feature about a business more credible and objective than a paid advertising. Publicity also reaches a wider audience: if one is lucky, the national media might even pick up the story.

Public Relations-It is the management of communication between an organization and the public, to include customers, employees, stakeholders and the general community. It continuously and consistently works to deliver an organization's key messages and logo to the marketplace. Through press releases, newsletters, advertising and other programs, public relations work to create and communicate employer brand. It includes Corporate Identity, Crisis Management, Community Relations, Media Relations and Marketing Communications.

Corporate advertising-what corporate ads say about a firm is "this is who we are and what we're going." So, at a bare minimum, a company's corporate ads should tell others something about how senior management views the company's identity and strategic direction. But, in addition, the successful portrayal of your organisation as a whole can increase the ability to get work done more efficiently in the corner of the business. An effective corporate ad campaign can solidify a company's reputation with constituents, help secure new business, encourage job applicants to join the firm, and increase the overall value of a company's products and services. It's easy to imagine a few likely outcomes of a successful corporate ad campaign. A new recruit lets others know that she decided to sign on with your firm rather than with a competitor because of the company's aggressive support of the environment, a position displayed prominently in the firm's ad campaign. An investor alerted to good news about a company's strategic partnerships in its latest ads looks more favourably on the stock's potential. In a sense, then, an effective corporate ad campaign may pull the organisation along in its wake, allowing it to enjoy the positive branding the ads create as it deals with the constituencies to work with most-be they suppliers, distributors, customers, other employees, government, or the media. Generally, corporate advertising can perform one or more of four functions. It can create a new company image or rejuvenate an old one, put for word a company's position on an issue significant to the company's welfare, enhance the company's status through the linking the organisation to a cause and strengthen a company financially.

VIII. FACTORS AFFECTING EMPLOYER BRANDING

Employer branding is a derivative of the following factors:

- Impressive and consistent track record in business leadership.
- Demonstrated investment in growth by way of future products, R&D spend, articulation of the roadmap ahead, and viable strategies.
- The organisation should clearly be perceived as a place where every employee could learn and develop skills in the latest technologies, concepts and knowledge areas.
- Aggressive, competitive compensation and benefits package.
- Transparent and merit-oriented performance management system, wherein the polarisation between various levels of performance is both visible and fair.
- Very high score on the leadership, business conduct and customer satisfaction, or any other parameter evaluated by an independent third party.

Today anyone in the supervisory managerial role needs to understand how to care for the corporation's most valuable asset- the employee. With the cost of hiring and training new employees rising, and negative feelings about big business already high, organizations need to find ways to satisfy, nurture, and educate employees to succeed in this highly competitive global environment. Companies need to use the power of internal communications to differentiate themselves, and they need to shed the stereotype that all corporations are "bureaucratic" and "stodgy" so that they can attract and retain fresh, young minds. Companies also must learn how to retain the highly educated workforce.

In terms of values and needs, today's employee is a different person compared with the employee in earlier decades of the last century. Almost two-thirds of employees want more open communications with the managers. In addition, the workplace is different for employees who now face tighter staffing, longer hours, a greater workload, more emphasis on performance, and, in many cases, greater autonomy than ever before.

Employee care means creating a lasting, flexible partnership with employees. Rather than looking at employees as liabilities on their balance sheet companies need to see their workers as assets to be nurtured and cared for in the same way that companies care for customers.

In managing corporate reputation, it's important to **Make Your Employees Your Winners.** Employees'

commitment to the corporate vision, daily adherence to ethical standards, enthusiasm for company products, and passion for superior customer service are the touchstones of corporate reputation. Their "personal touch" will forge the emotional bond with customers. Enabling employee pride in the company enhances corporate reputation. The continuing wave of scandals, the many instances of executive greed and sweeping employee layoffs have conspired to make the public incredibly distrustful of companies. In this environment, how can job seekers determine which companies still enjoy positive reputations? It isn't easy, but some companies clearly stand out for both their overall reputation and for their workplace policies.

Reputation rankings can be a guide to companies with a stellar image. But such rankings usually include only a few large, well-known companies. It will take more digging on Web sites and in news articles and corporate publications to learn about the reputations of most companies. Important clues for prospective employees include a meaningful ethics program and values statement, corporate-citizenship activities and high scores for customer satisfaction. Perhaps the most telling question for employees, however, is whether the company considers them critical players in the reputation-management process. Companies with the most stellar images know they must make employees the primary champions of their reputation. If they treat their employees with respect, they know they will likely earn a good reputation with customers and other stakeholders, as well. After all, it's the employees who are on the front lines working with customers, suppliers, shareholders, government officials and other audiences. Companies should make them loyal ambassadors because their effect on reputation is so immense. Unfortunately these days, many CEOs don't seem to realize that employees can make or break their company's reputation. There is a strong relationship between employee engagement and customer satisfaction, which in turn correlates closely with strong corporate reputations and financial performance.

IX. CREATING A CORPORATE CULTURE

Corporate Culture consists of a set of symbols, ceremonies, and myths that communicate the underlying values and beliefs of that organization to its employees. It is a synthesis of management styles, values and communications styles. It is generally understood as "The way things are done". In an organization, it describes the situation not as stated but as practiced. Though organizational structure, system, policy and strategy direct and channelise the workflow, the actual behavior of people is conditioned by corporate culture. It is intangible and hard to quantify.

There are several factors that bear a significant influence in shaping the Management style of an Organisation. These include the leadership style, organizational factors, motivational methods and tools, as well as communication styles and methods. For example, Hewlett-Packard is a company that has, for a long time, been conscious of its culture (The HP Way) and has worked hard to maintain it over the years. Hewlett-Packard's corporate culture is based on 1) respect for others, 2) a sense of community, and 3) plain hard work. It has been developed and maintained through extensive training of managers and employees. HP's growth and success over the years has been due in large part to its culture.

So, we may say that the Basic features of corporate culture are:

- Employees are at once the consequence, creators, and carriers of culture
- Cultural values are reflected in a variety of ways (overt & subtle)
- Culture changes but it does so slowly
- Cultural values are necessarily few, because values inevitably conflict

The importance of corporate culture is growing as the result of several recent developments. Companies are encouraging employees to be more responsible and act and think like owners. In exchange for more flexible work schedules, employees are expected to always be "on-call." With the demise of more traditional communities (e.g. neighborhoods, etc.), companies are filling employees' need to belong to a community. At the same time companies are encouraging teamwork and the formation of teams.

Therefore, organizational leaders shouldn't ignore corporate culture. Rather, it should be addressed in the organization's mission, vision, and goal statements, and emphasized in company sponsored training and company communication. The statements should include the following:

- To be financially successful, etc. (employees want to belong to a successful organization)
- To be accepting of cultural (ethnic) diversity
- To provide good working environment
- To allow scope for self-development and challenging job roles etc.

To be sure, some companies have long understood the benefit of making employees their biggest boosters.

Today, many organisations believe their fundamental strength lies in their people." It encourages employee commitment with many work-life balance programs, such as sabbaticals to "recharge their batteries," including benefits and partial pay, and a "no meeting day" policy two Fridays a month. The meeting-free Fridays allow employees to be more productive so they don't have to take work home on the weekend. To make employees effective reputation boosters, companies create a culture that supports and motivates them. The employees, in turn, will feel a robust allegiance and go above and beyond the performance expected of them. Creating a hospitable environment for all employees, regardless of gender, color, ethnic background or sexual orientation, can contribute mightily to corporate reputation. IBM Corp.'s reputation has certainly benefited from its commitment to diversity, which dates back many decades. IBM was a pioneer in promoting women and equal-employment opportunity. As a result, women and minorities have become advocates for the company and its diversity programs. A consistent heritage of diversity translates into a strong reputation that helps IBM to attract and keep talented employees. IBM did things long before law or public opinion required them. They were driven by their beliefs and sense of morality, not political correctness.

Companies with exemplary reputations put a high priority on employee communications and strive to create a feeling of empowerment and ownership in their workers. Some companies try to forge a strong bond with new employees through a two-day orientation, wherein they learn what the brand stands for and the importance of consistently living up to that image of performance and driving excitement. The belief is "All employees are ambassadors of the company," Personal recognition goes a long way toward making employees strong advocates for their companies. The workplace environment must excite and engage employees, too, if they are to give the peak performance that will bolster the company's reputation with customers and other stakeholders. Establishing such a culture is hard work that requires constant attention. Community service and environmental protection are important elements of many companies.

X. CANDIDATE'S ENVY, COMPANY'S PRIDE

The above factors affect the candidates' perception of future employers. Keeping this in mind, here's what companies need to do:

A. Best practices:

This involves studying some of the best practices around and implement whatever one can with some creativity, keeping in mind those not all best practices will

suit any organisation. Things like Flexi-time and promotions from within are easy to implement.

B. Public relations

Network, with fellow professionals, in various meets and even with the candidates not found suitable at a given point of time. Word of mouth will do the organization a lot of good. Also, Candidates trust word-of-mouth and references more than the advertisements.

C. Innovative recruitment tools:

In the information age, One does not limit the approaches. The best way is to explore all avenues to reach out to the candidate one needs (Use print advertisements, Web services and Even e- mailers). The more the candidate sees the organization's name, the more curious he'll be to know about the company and make the first contact, which is essential to start an active engagement?

1. Make a dapper presentation:

There is a need to aggressively sell the organization and to remember the P's of marketing as detailed by 'Kotler'. The USP (unique selling proposition) of the organization should be identified and build a story line on the same. If one can afford it, a Corporate Communications agency may be involved to help out. A smart corporate presentation may be created and utilise the same to optimum by running a kiosk/PowerPoint show while candidates are waiting.

2. Good treatment to prospective candidates:

Give them respect and treat them well. A candidate never forgets good treatment and will regard the organisation as progressive. The loop has to be immediately to ensnare the candidate before he loses interest. The end result is that one will have talent eating out of your hand.

3. Build a great top layer:

Organizations are dependent on leadership for their success. The best leaders should exist at the top level. It is better to go for high drive and initiative profiles.

XI. ROADBLOCKS

Many key Personnel point out that employer branding is not an easy task as it is a long-term process. It takes tremendous effort and a strategic blend of logic and intuition in the brand-building exercise. The company has to have superior leadership, operational excellence and customer focus, and most importantly people-orientation in a genuine way, for the branding exercise to be successful. Companies have been focusing on more

advertising than taking concentrated efforts in building relationships. According to "Riding the Wave" survey (conducted by the Career Innovations Research Group), the future might be in danger for those companies who may otherwise invest too much in mass media and little in personal contact programmes. As per the survey, the most believable forms of communication are not the advertisements, literature and websites, but the behaviour of employees and accounts of their own work experience.

Employer branding is a part of overall branding strategy of a company. For this to happen, the HR department should ensure that there is a constant flow of communication within the organisation and there is no conflict with respect to internal and external image. Both these factors are very significant. Every single employee should buy into the vision, commitment and ethics of the company and should be a walking advertisement for the company. Doing a major employer branding exercise would be nothing if the company's own employees do not believe what is being said. Basically, an organisation must adopt a concerted and focused approach to building and maintaining its reputation as a 'Best Workplace' and constantly work towards reinforcing this branding through continuous exercises.

A typical branding exercise would involve identifying the USP (unique selling proposition) of the company and articulating the DNA of the company, highlighting the competitive advantages of this DNA and creating a consistent brand language across the organisation in all forums to all the constituencies. The most significant aspect of any organization is to realise its inherent values and the image that it would like to project to its audiences. The next step is to evolve the right messages and reinforce those values again and again. And the most important part is to act on what you say. Plain words can't get a brand. A brand has to be built on action. Employer branding is however limited to bigger companies, with very few initiatives taken by smaller players.

XII. EMPLOYER BRAND MAINTENANCE

Over half the worth of the world's largest corporations consists of reputation assets - generally known as the 'goodwill'. Good reputation means everything in business. It is believed that there is a direct correlation between good corporate reputation and crucial business issues like the share-price, regulatory approval, labour relations, community support, retailer preference and consumer support. No one questions that a company's principal purpose is to trade profitably, but nowadays people expect more: they want companies to behave well and to engage their interest on a level over and above the pure commercial transaction. The top Reputation Risks are

Safety, Service shortfall, Unethical behaviour, Public policy change, Product/professional liability, Major adverse event/publication, Environmental damage, Poor corporate governance and Product recall/failure Litigation. It is thus vitally important to engage the stakeholders regularly - even in cases where they appear relentlessly hostile to the organization. The dialogue is important to understanding - and the understanding alone may not result in the agreement but it could definitely facilitate compromise or at least prevent inappropriately aggressive actions. The most effective communications with the 'critics' take place face to face in planned sessions and with the individuals or small groups made up of representative individuals from different organizations.

XIII. CONCLUSION

As companies come up with innovative branding exercises this trend is expected to be very popular in the future. It would however entail a lot of effort from the top management. What we have seen so far is just the beginning. Every company, no matter how small or new, would want to come out with a 'niche' image, brand, product or service. So there will be intense competition amongst all the players to get branded for something unique. Experts point out that the next couple of months will witness companies engaged in innovative methods to stay ahead in the race. These may include hiring image building experts to enhance the brand value, providing competitive compensation, enabling foreign postings with dollar salaries and stock options, or offering challenging work environment in cutting-edge technology areas.

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