

Employer Branding: Emerging Dimension and Strategies for Human Resources in India

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ABSTRACT: Employer brand is branding and marketing the entirety of the employment experience. It describes an employer's reputation as a place to work, and their employee value proposition, as opposed to the more general corporate brand reputation and value proposition to customers. The term was first used in the early 1990s, and has since become widely adopted by the global management community. Minchington describes employer brand as "the image of your organization as a 'great place to work' in the mind of current employees and key stakeholders in the external market (active and passive candidates, clients, customers and other key stakeholders). The art and science of employer branding is therefore concerned with the attraction, engagement and retention initiatives targeted at enhancing your company's employer brand." Just as a customer brand proposition is used to define a product or service offer, an employer value proposition (also sometimes referred to as an employee value proposition) or EVP is used to define an organization's employment offering. Likewise the marketing disciplines associated with branding and brand management have been increasingly applied by the human resources and talent management community to attract, engage and retain talented candidates and employees, in the same way that marketing applies such tools to attracting and retaining clients, customers and consumers.

I. INTRODUCTION

The Indian talent landscape is one filled with paradox. While we consider ourselves a country of abundant talent, many organisations find it tough to find the right person, for the right job at the right time. [1,2] With the talent war looming over companies geared for growth, organisations have realised the importance of building an employer brand to attract, engage and retain the right talent. Employer branding is evolving into the strategic glue that connects and binds the various facets of attracting the best talent, developing a skilled talent pool, facilitating proactive employee engagement, retaining top performers and reducing the total cost of talent ownership.

Randstad's research through the years on employer branding as a concept has revealed key insights, and through this article I will try and provide some key factors that define highly effective employer branding.

1 – Employer branding helps transcend hygiene talent attraction factors

India is one of the countries with the lowest job loyalty. In such talent ecosystems, hygiene factors like salary and perks typically tops the reasons in what employees look for in a new job. A strong employer brand helps position an organisation both externally and internally, communicates powerful benefits such as career opportunities & growth, learning & development, job satisfaction and work-life balance – all of which carry high weightage with the current and future workforce. Employees are willing to sacrifice their expectations of monetary compensation for a chance to be associated with such successful employer brands. Also, organisational culture, ethics and contribution to society are predominant factors that define the strength of the brand and its capability to attract and retain top talent. Companies with a healthy work culture are known to have greater employee retention rates[3,4].

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2 – Employer branding begins with a clear and well-defined Employee Value Proposition (EVP)

The first step to building a powerful employer brand is to develop a strong EVP. A compelling, clearly defined EVP that is in sync with the company's vision throws light on the values of the company as an employer. An effective EVP is not about individual employee experiences alone, but the collective perceptions of the organisation as projected by all employees. It also differentiates the brand from its competition while determining deciding factors such as salary, perks, scope for training and development, flexible work environment, and organisational culture. A powerful EVP elevates the organisation's brand identity as an attractive place to work. Studies indicate that high performing organisations with a good EVP have 3 to 4 times more employees displaying higher levels of commitment, than organisations that have poor performance.

3 – Employer branding should be continuous, not a one-time activity

Employer branding is not a one-time activity. It is an integral part of the organisational strategy in improving and propagating the brand's market image. The brand message must continuously evolve and mature over time based on reviews, feedback, and experiences of internal and external stakeholders, for the organisation to stay relevant in the ever-changing talent acquisition landscape. In a poll that we did with over 350 senior HR leaders, close to 70% felt that less than half of the employees in their organisations know and understand the EVP. Hence, it is important to continuously communicate and measure the awareness and the impact of employer branding initiatives to facilitate improvements and achieve sustainability. Candidate perception studies, Employee satisfaction surveys, team building activities and exit interviews are useful tools that provide relevant insights into the changing perceptions of employees. A good employer brand will always have a well-defined learning curve as it is important to regularly monitor and review the brand equity of the organisation in a competitive talent market.[5,6]

4 – Employer branding helps organisations engage with a multigenerational workforce

Today's corporate workplaces are a mosaic of individuals from different generations – traditionalists, baby boomers, and millennials – all coexisting in a multidimensional corporate environment. A well defined employer brand strategy becomes imperative to address the needs and aspirations a diverse workforce, be it attracting top talent from outside or inspire employees to outperform themselves. And, strongly influences the human capital of an organisation, irrespective of generation. The employer brand should serve as a buffet offering the right proposition that resonates with each and every employee, while staying consistent to the brand's identity. Thereby, ensuring that employees themselves turn into strong brand ambassadors for the organisation.

5 – Communicate real-time with your current and future employees

Employees and candidates want to know what the organisation means to them and their professional careers. Good brand visibility and real-time interaction with current and potential employees builds trust, which eventually reflects on the strength of the employer brand. A strong employee engagement strategy backed by a comprehensive communication strategy will accelerate results. Social media has evolved into a powerful brand building channel and needs to be a vital part of the communication strategy. Research indicates that 49 percent of candidates worldwide use social media in their job search – an indispensable tool for recruiters to reach out to the right talent. Job seekers keep themselves updated on career opportunities in companies; they check the online blog posts, videos, and photos posted by companies to learn more about the organisational culture and working patterns.[7,8]

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6 – Tracking the ROI on employer branding leads to long-term success

An important question foremost on every HR leader's mind is whether it is possible to track the ROI on the employer brand. The employer brand is a critical organisational investment and it is absolutely possible and necessary to measure and track the returns on this investment over a period of time. Several key metrics can be used to track employer branding ROI – Employee satisfaction scores, Attrition trends within the organisation, Time-to-fill ratio, quality of hire, cost per hire, number of employee referrals, employee engagement, brand awareness and attractiveness with prospective employees, number of applications per position, and cost of turnover and onboarding programs. The success of an employer brand also depends on the retention rates and the ease of filling new vacancies – again numbers that can be easily measured and tracked. In fact, studies reveal that retention rate is the most commonly used metric to measure the ROI on employer branding. Organisations need to perform a strategic audit of their employer brand to define key objectives and identify where to focus investments.

7 – Who is the owner of employer branding within an organisation?

The HR function is responsible for the culture and human capital of any organisation. They need to act as the conscience keepers and the bridge between the interests of the management and all employees. The previous section outlined the parameters and metrics to track the ROI for employer branding, and all of them directly impacts the strategic agenda of CHROs. Hence, the HR functions needs to be the primary owner of employer branding in an organization, with support and expertise leverage from the management team, marketing and technology functions.

The ultimate weapon in today's war for business growth and success is people. Employer branding is an expression of an organisation's personality and provides a strategic platform to communicate the employee value proposition to attract, retain and engage the people who will make a difference to your business.[9,10]

II. DISCUSSION

The employee value proposition (EVP) is a part of employer branding, in that it is one of the ways companies attract the skills and employees they desire and keep them engaged. It is how they market their company to prospective talent, and also how they retain them in a competitive job market. It is meant to communicate the values and culture of the organization, as well as take the focus off remuneration as the sole reason for working there. The benefits, when done correctly, are a more committed, happier, and productive workforce at a cheaper cost, which are the main goals of any employee-centered strategy. It may also have the side benefit of improving the company's perception in the eyes of consumers.

A strong customer value proposition is what differentiates a successful brand from an also-ran. Employer branding too works on the same premise: It must project the right perception about the company in the minds of prospective employees by offering an authentic promise to them. The perennial problem of attracting the right talent is not going to disappear any time soon despite the high unemployment rate. Just like commercial branding, positioning the company to the talent pool is critical now more than ever in the wake of tectonic shifts brought out by the pandemic. And there is a veritable industry of sorts springing around this concept. Various researchers have shown that a differentiated employee value proposition (EVP) can help companies of all types, especially medium-sized ones, to compete well in the talent market. In the knowledge economy that we are in, not having the right talent is the biggest cost to a business. One estimate is that enterprises lose up to Rs 10 lakh for every middle-level position that is open for three or more months. Almost one in every five CEOs says it could be even as high as Rs 18 lakh.[11,12] Nearly 75% companies agree that they do have a problem in finding the right talent to fill leadership roles. When an enterprise needs to fill up a crucial position, getting no talent or getting a second-level one impacts its business in terms of opportunity losses.

The proliferation of ranking agencies shows the inability of HR folks to build a good employer brand. We have enough evidence that some of the highly ranked companies in such lists have issues of employee wellbeing. Yes, an independent,

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external ranking can be a good thing if its ranking criteria are adequate and not done for profit. Although employer branding has been a buzzword for years now, not much successful action is seen on the ground. The culprit? Marketing folks are not aware of this type of branding and HR is not involving them in it. Enterprise marketers need to be cognisant of the fact that it will affect the corporate brand eventually, at which point it will be a serious issue for them. Only about a quarter of marketers felt that their companies had a strong employer branding. Executives who are familiar with the concept believe that a strong employer brand will reduce attrition too. In medium-sized companies, it can be a critical tool for attracting the attention of prospective talent and retaining existing ones. For growth-oriented companies ideal talent target is from large enterprises who are looking for more challenging roles. Without a strong EVP that covers the unique attributes of working within the company, no employer branding effort can sustain. Key attributes include work culture, compensation, benefits, wellbeing, recognition and awards. In a survey of executives of medium-sized companies, almost 70% said compensation as a key attribute of EVP. Nearly half said growth opportunities and wellbeing were important. While it may not be possible for smaller companies to match the perks of their larger peers, they have more flexibility to offer a value proposition including flexible work timing & place of work, more vacation breaks, better work/life balance, and role expansion. In short, finding the differentiated EVP is key. The Gen-Z workforce is looking for growth opportunities as well as the commitment of employers to environmental, social & governance (ESG) and diversity, equity and inclusion (DEI), which is another possible differentiator. More importantly, enterprises with strong employer branding have a 20% revenue growth as against the 8% of weak employer brands. The correlation is that a strong employer brand brings cost of hiring down and also people turnover — an increase of 28% in retention and a decrease of 50% in cost per hire.[12]

III. RESULTS

Technology giant Microsoft India has emerged as the country's most 'attractive employer brand', while Mercedes Benz India climbed up the rankings to emerge as the first runner-up, followed by e-commerce giant Amazon India, says a survey.

According to Randstad Employer Brand Research (REBR), Microsoft India scored very high on financial health, strong reputation and attractive salary & benefits – the top three Employee Value Proposition (EVP) drivers for the organisation.

The 10 most attractive employer brands in India include Hewlett Packard at fourth place, Infosys (5th), Wipro (6th), Tata Consultancy Services (7th), Tata Steel (8th), Tata Power Company (9th) and Samsung (10th), as per the survey released.

The research globally captures the views of over 1,63,000 respondents (general public, aged 18-65) from 5,944 companies in 31 countries.

"The concept of employer branding has evolved radically over the last few years. It is no longer enough to merely create brand recognition; it has to now create a more meaningful connection. It should be backed by a compelling brand promise and purpose, which then seamlessly connects to employees and prospects," Viswanath PS, MD & CEO of Randstad India, said.

As per the survey, 9 out of 10 Indian employees (88 per cent) consider training and personal career growth very important to them when compared to the average of APAC (76 per cent) employees.

"It is interesting to note that Indian workers are more driven to succeed in their careers compared to employees in the rest of APAC. Much of this shift can be attributed to gold standard learning opportunities offered by Indian employers and the flexibility to adapt to the continuously evolving needs of the workforce across sectors," Viswanath said.[13]

The report further noted that 24 per cent of employees in India switched their employer.

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About one in three employees (37 per cent) had said that they intend to change their employer .

As per the survey, this year too, the Indian workforce considers work-life balance (63 per cent) as the most important driver when choosing an employer. This trend is even more so for higher-educated (66 per cent) and 35+ year old employees (66 per cent). This is followed by attractive salary and benefits (60 per cent) and a good reputation of the organisation (60 per cent).

The survey also revealed that 66 per cent of white collar employees consider work-life balance as the most important driver, whereas 54 per cent of blue collar workers consider the reputation and financial health as the most important attributes for an employer, leaving both work-life balance and even salary and benefits trailing behind.

"Most parameters for an attractive employer brand remain the same for both male and female employees, however, women employees now have a heightened focus on flexible working, healthcare benefits, and corporate social responsibility along with career progression," Viswanath said. [14]

III. CONCLUSIONS

Silicon India recognized Markivis as "Employer Branding Company of the Year" in their Annual Edition of "Company of the year". Silicon India, recognizes the challenges faced by organizations on their Employer Branding efforts and recognizes the unique approach taken by Markivis to create custom solution for each organization compared to a standard one size fits all. Muthoot Microfin has won the 'North India Best Employer Brand Award ' organized by the Employer Branding Institute. Mr Dileep Kumar Pathak (EVP) received the award from Dr. GP Rao (Founder, GP HR Consulting) & Dr. Jai Madaan (Renowned Astrologer).

The award recognizes organizations that have used marketing communications effectively in attracting, retaining & developing talent and has a diversified culture with outstanding employee benefits & engagement. North India Best Employer Brand Awards is endorsed by CHRO Asia and certified by World Federation of HR professionals.[14]

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