Exploring the Relationship between Employer Branding and Employee Retention

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Abstract
The employment environment, nowadays, is becoming increasingly competitive. In such competitive environment, employer branding is fast emerging as a long-term human resource (HR) strategy to attract and retain talented workforce. The purpose of this article is to determine the antecedents of employer branding from the perspective of current employees. Most studies are dedicated to the examination of employer branding as a talent attraction technique among potential employees. However, the present research examines the impact of employer branding on retention of existing workforce. The research develops a conceptual framework of antecedents and outcomes of employer branding. Using qualitative data from a pilot study of an IT giant, it provides insights as to how the predicted outcomes of employer branding can lead to increased retention among employees. The research also analyzes the role of employer branding in building brand advocates who spread positive word of mouth about the organization. Results of the qualitative interviews show positive relationship between outcomes of employer branding (job satisfaction and psychological contract) and employee retention. In addition, a positive relationship is found between employer branding and organizational commitment which in turn contributes towards development of brand advocacy. Academic and managerial implications are also discussed. The study accentuates the importance of employer branding construct and its potential to alleviate the imminent problem of employee attrition.

Keywords
Employer branding, employee retention, qualitative pilot study, antecedents and outcomes

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**Introduction**

It’s one of the largest costs in different types of organisations, yet it’s also one of the most unknown costs. It’s employee turnover. (Blake, 2006)

It is quite a setback for an organization when its employees start preferring other concerns as a better place to work for. Loss of experienced and skilled employees to a competitor results in severe consequences, ranging from demoralization of current workforce to reduced productivity. It is a major loss of intellectual and human capital. Keeping these perspectives in mind, organizations have started implementing various strategies to maintain a stable workforce. While there has been a rich stream of various employee retention strategies in this area, comparatively less work has been done on one of the ‘hottest strategy in employment’—employer branding.

Since time memorial, companies have been using brand to promote their products and services. However, in recent times, these marketing strategies are being applied in human resource management (HRM) as well. The only difference is that where consumer brands helps in producing loyal consumers and increase in profitability, employer branding helps in producing loyal employees and increase in productivity.

Employer branding is a strategy that can be used to acquire and retain qualified talent by establishing the organization as an ‘employer of choice’ within the industry (Lenaghan & Eisner, 2006). Employer attractiveness dimension of employer branding has helped it attract talented employees (Berthon et al., 2005; Lievens & Highhouse, 2003). Recent studies have emphasized the role of employer branding in retaining, motivating and engaging the employees for attaining increased productivity. Therefore, employer branding not only helps a firm recruit best of the available talents, but also contributes towards its competitiveness and productivity. Hence, it becomes altogether important to investigate its dimensions. Although it is not a new line of research, few authors have identified the dimensions of employer branding. While dimensions such as organizational culture, compensation and reputation are consistently found to impact employer branding, a few dimensions, such as work environment, corporate social responsibility (CSR), work–life balance (WLB) and training and development, are yet to be explored further to gain better insights into the concept employer branding. Being identified as a retention management technique in earlier studies, it becomes necessary to identify the possible linkage between employer branding and retention of employees. This study aims to explore the possible outcomes of employer branding and then to establish its link with employee retention.

**Literature Review**

The literature is divided into four parts. First, meaning and importance of employer branding is discussed. Second, the literature that examined antecedents and outcomes of employer branding is analyzed. Third, literature relating to employee retention is examined. Finally, the literature related to outcomes of employer branding and their relation with employee retention is interpreted.

**Employer Branding: What Is It All About?**

Attraction, recruitment and retention of the best talent have always been a challenge for organization. Human resources are considered as one of the most important resources of the organization. With the
increasing shortage of appropriate applicants and increasing turnover rates, it becomes important for the organization to develop strategies to combat these issues so that there is no shortage of qualified talent in future. One such strategy that can be used to overcome talent acquisition and retention problem can be summarized as employer branding. Employer brand is a concept derived from marketing management. In marketing management, products are branded to attract consumers. In the same way, in employer branding, organizations are branded to attract and retain employees. Ambler and Barrow (1996) were the first to coin the term employer branding by bringing together the concepts of HRM and Brand Marketing which define the term as ‘a package of functional, economic and psychological benefits provided by employment and identified with the employing company’ (p. 187). According to Backhaus and Tikoo (2004) there were about 3,000 hits for the term ‘employment branding’ by internet searches using Google and Yahoo! Employer branding is the image of the organization as perceived by the current as well as potential hires, the experience of what will work for a company (Ruch, 2002). It is also considered to be the sum of company’s efforts to communicate to existing employees and prospective staff that it is a desirable place to work (Lloyd, 2002). As identified by Backhaus and Tikoo (2004), employer branding is the process of communicating the distinguishable value proposition of the organization to the employees. To sum it up, it can be said that employer brand is a long-term strategy adopted by the company to attract, retain and motivate the employees.

**Role of Employer Branding**

*Every organisation has an employer brand. Whether you own it or not, your organisation is influencing its employer brand 365 days a year.* (Minchington & Thorne, 2007)

There are many companies who manage to get better business results, such as increased candidate pools and increased employee loyalty, which in turn leads to increased productivity (Backhaus & Tikoo, 2004). Such companies are often rewarded for being ‘The Most Attractive Employer’ or ‘Best Place to Work’ which is defined by Great Place to Work Institute.

Employer brand is called as ‘The hottest strategy in employment’ by Sullivan (1999). It is considered as one of the long-term solutions to solve the problem of ‘shortage of talent’.

Employer Brand International’s (EBI) 2012/2013 Global Research study found that 39 per cent of companies are willing to invest more in employer branding initiatives in 2013. The study also established that 38 per cent of the companies surveyed use retention rate as a metric to measure Return on Investment (ROI) of Employer brand. Employer brand consists of two elements. Employee value proposition (EVP) about what employees receives as ‘value’ while working in the organization and ‘employee experience’ which represents the actual delivery of that value (Rosethorn, 2009). This EVP is used by organizations as a weapon to target current and potential employees.

**Process of Employer Branding**


First, an organization develops the ‘value proposition’ using the information about the organization’s culture, qualities of current employees, impressions of product or service quality and current employment image which establishes who they are and what they expect and what they have got to offer. Employer brand value proposition should provide realistic image about the organization and its culture.
If the image is not clear, expectations will not be met, and employee might leave the firm (Backhaus & Tikoo, 2004); the EVP developed should be different from the competitors.

Post development of the value proposition, the firm uses it to attract prospective employees. This is also termed as external marketing of employer brand. Internal marketing which aims at fulfilling the brand promise made to the applicants is the third aspect of the process. The goal of internal marketing is to develop a workforce committed to the goals of the organization.

**Employer Branding: Antecedent Variables**

The concept of employer branding is emerging as an important talent management strategy. An antecedent variable is defined as a specific factor or condition which has the capability to influence a particular behaviour or phenomenon (Saks, 2006). Previous research works have focused on various antecedents of employer branding. In present research, we are focusing on four antecedents, namely training and development, CSR, WLB and work environment. Although training and development and work environment have earlier been discussed in literature, the exploration of CSR and WLB as antecedent variables is still in its infancy. Hence, we propose to conduct a literature review on antecedents of employer branding and later validate it through a qualitative study.

**Work Environment**

Work environment is considered as an important dimension of employer branding by employees regarding their choice of employer (Barrow & Mosley, 2011; Corporate Leadership Council, 1999). Brands, such as Microsoft, Vodafone and Reuters, put in a lot of effort to shape the work environment to reflect the core values of the organization (Barrow & Mosley, 2011). As suggested by Aiken, Havens and Sloane (2000), work environment has the capability to influence the attitude of employees towards the organization. Chapman et al., (2005) further add to the literature by considering work environment as one of the most important predictor of job acceptance intention among employees. Further, empirical work by Tuzuner and Yuksel (2009) found that potential employees’ perception about employer attractiveness differentiated on the basis of gender. Females were more inclined towards a non-competitive work environment, whereas males preferred a more brand-oriented workplace (Tuzuner & Yuksel, 2009). With regard to exploration of employment branding dimension, Corporate Leadership Council (1999) in their report on employer brand and its components included work environment as an important component contributing to employment brand strength.

**Corporate Social Responsibility**

As defined by Carroll (1979), CSR is ‘the social responsibility of business encompassing the economic, legal, discretionary and ethical expectations that society has of the organisation at a given point of time’. Literature has suggested that CSR leads to enhanced brand image and reputation of the organization (Kim, Lee, Lee & Kim, 2010; Kotler & Lee, 2008; Suliman & Khatib, 2014). As stated by Schiebel and Pöchtrager (2003), an increasing number of companies have recognized the importance of CSR implementation which benefits the organization by improving financial performance and enhancing brand image. Backhaus and Tikoo (2004) argue that external marketing of employer branding allows it to attract best talent as well as establish it as an ‘employer of choice’. Similarly, CSR also helps a company to attract, motivate and retain talent human resources (HRs) (Brammer, Millington & Rayton, 2007; Greening & Turban, 2000). Furthermore, empirical work by Suliman and Al-Khatib (2014) uncovered the role of CSR in shaping the brand of organizations, where the ‘Market Place Policies’ dimension
of CSR had a major role in predicting employer brand. Thus, by implementing CSR in their framework, a company can enhance its employer brand.

**Work–life Balance**

Work–life balance has received much attention over recent years as an important talent management issue. Organizations these days have started incorporating WLB strategies in their employer brand. Work–life balance strategies help an employee coordinate and integrate work and non-work aspects of their lives (Felstead et al., 2002). Literature has suggested that WLB strategies can help an organization enhance its employer brand that will in turn lead to increased employee retention (Barrow & Mosley, 2011; Hudson, 2005). As suggested by Barrow and Mosley (2005), it would be very hard for an organization to develop its employer brand without incorporating WLB as one of its components. In terms of factors impacting employer attractiveness, McDonald et al., (2005) identified WLB as one of the important determinants leaving aside salary and prestige. Furthermore, research conducted by Hillebrandt and Ivens (2013) found WLB as one of the factors affecting employer brand of the organization. Semi-structured interviews conducted by the authors emphasized the importance of WLB in employees’ lives. The authors believed that an organization can enhance its employer brand image by introducing flexible working hours and the same can be communicated to the employees through their employer value proposition.

**Training and Development**

Training and development has received much attention in the context of recruitment of potential employees and development of current employees (Cable & Graham, 2000; Lievens, Hoye & Schreurs, 2005). Development value, presented by Berthon et al., (2005) as one of the dimensions of employer image, consists of good training opportunities and personal development within the organization. As suggested by McLeod (2007), workplace development opportunities and flexible work arrangements are the potential benefits considered most important by employees while considering an employer. Furthermore, study by Wilden, Gudergan and Lings (2010) reported that company’s contribution to career development was valued more by applicants with good work experience while considering employer branding signals. Kucherov and Zavyalova (2012) further identified that companies having strong employer brand invests highly in HR training and development activities, where 63 per cent of the employees working with organizations having strong employer brand considered typical forms of HR training and development being tutorship, internal training and total payment for training by the employer. On the contrary, 40 per cent of the employees of the organizations without employer brand did not know anything about these methods of training. Thus, training and development is found to be strongly related to employer branding.

**Outcomes of Employer Branding**

In the above section, we discussed various antecedents of employer branding. In this section, we will be discussing various outcomes that generate out of successful implementation of employer branding process. The literature pertaining to the proposed outcomes can be seen below.

Employer branding strategy helps a firm promote its favourable image among potential as well as current employees (Backhaus and Tikoo, 2004; Lievens, 2007). This employer brand strategy has two processes: external and internal marketing. While external marketing enables the organization to attract talented workforce, internal marketing helps in motivating and retaining employees who further
act as brand advocates of their respective firms (Van Hoye, 2008). As suggested by Backhaus and Tikoo (2004) employer brand affects organizational culture and organizational identity which in turn affects employer brand loyalty. Loyal employees further help in increasing organizational productivity. The following section examines research around, job satisfaction, psychological contract, organizational commitment, productivity and brand advocacy as outcomes of employer branding.

**Job Satisfaction**

Job satisfaction is one of the highly studied constructs of HR. Parasuraman et al., (1991) believes that an organization can consider its employees as customers. As Mittal and Kamakura (2001) comments, an important role that brand can play is to increase satisfaction level among employees. This satisfaction level helps in prediction of future behaviour towards brand. Job satisfaction which is defined as an attitude that individuals have about their jobs is considered to be a positive outcome of employer branding (Lelono, 2013; Priyadarshi, 2011; Schlager, 2011). As suggested in the research, employer branding increases employee satisfaction and commitment by unifying a strong organizational culture (Backhaus and Tikoo, 2004; Gaddam, 2008). Using a large group of employees working in insurance company, Schlager, Bodderas, Maas and Cachelin (2011) examined the relationship between employer branding and employee satisfaction. Implications of the study suggested that a strong employer brand impacts employee satisfaction which in turn influences customers’ experiences. It was further suggested that in order to enhance employee satisfaction, proper training and mentoring programmes should be provided (Schlager et al., 2011). Thus, job satisfaction is considered as an outcome of employer branding.

**Psychological Contract**

Psychological contract refers to the relationship between employer and employee and the implied expectations or obligations they have on one another (Eshøj, 2012). It has been argued that employer branding helps in the formulation of psychological contract (Backhaus & Tikoo, 2004; Eshøj, 2012). Backhaus and Tikoo argue that organizational culture and employer brand has the power to create a psychological contract between employer and employee. These perceptions can further be modified to create a new contract of ‘employer of choice’. Sartain (2005) and Rosthorn (2009) further suggest that internal employer brand can help a company create unique competitive advantage which is difficult for the competitors to copy. Rising up to the expectations of the employees helps in creating a loyal and motivated workforce (Backhaus & Tikoo, 2004).

**Productivity**

Ambler and Barrow (1996) were the first to define employer branding as ‘the package of functional, economic, and psychological benefits provided by employment and identified with the employing company’. They further raised an interesting research question as to whether employer branding helps a firm achieve better level of performance. As per Backhaus and Tikoo (2004), employer brand loyalty, which is one of the outcomes of employer branding, contributes to increasing employee productivity. Additionally, empirical research conducted by Robertson and Khatibi (2013) among 369 Sri Lankan companies found a significant relationship between companies having strong employer brand and productivity of employees. The results suggested that senior management plays a big role in the development of employer branding strategy. Robertson and Khatibi (2013) assert that little has been done in the area of employer branding and productivity. Further exploration will add valuable insight in the framework.

**Organizational Commitment**

In the literature, organizational commitment is usually defined as the individual’s psychological bond to the organization and their willingness to exert extra efforts for achieving organizational missions
Organizational commitment has gained much importance in recent years because of increased mobility of labour within and outside national boundaries (Mohapatra & Sharma, 2008). A strong employer brand has the potential to create a positive image and identity among employees. The identification with the values of the organization’s brand further helps in increasing organizational commitment among employees (Ind, 2003). Previous studies have indicated a positive relation between employer branding and organizational commitment (Hanin, 2013; Kimpakorn & Tocquer, 2009; Storsten & Ampuero, 2013). For example, Kimpakorn and Tocquer (2009) found how employees’ experiences with employer branding plays a crucial role in developing employees’ brand commitment. The more they understand organizational culture and values, the higher would be their commitment level. Furthermore, research work by Storsten and Ampuero (2013) highlighted that employees’ positive perception of employer branding will make them care more about their employer and will also aid in employee satisfaction.

**Brand Advocacy**

Brand advocacy is built when consumers favourably communicate about the brand, which helps in accelerating new product acceptance and adoptions (Keller, 1993). People who share their opinions or spread positive word of mouth about the brand are known as brand advocates or brand ambassadors (Commander, 2007). The principle of brand advocacy can be applied to HRM. It has been argued that for an employee to be a brand advocate, enough information about the organization should be available (Commander, 2007). Literature has suggested that commitment to the organization helps in developing advocacy of the organization to others (Babin & Boles, 1998; Brown & Peterson, 1993; Mowday, Steers & Porter, 1979). However, in order to have a higher effect of brand advocacy, highly committed employees should act as brand ambassadors where they portray a true picture of the organization’s culture and values (Katoen & Macioschak, 2007). Coming to the impact of employer branding on brand advocacy, Kimpakorn and Tocquer (2009) argued that by convincing employees that their organization is a great place to work for, employer branding helps them turn into ‘true believers’ and brand advocates. Kimpakorn and Tocquer (2009) further argued that by communicating the true meaning of organization’s brands and by delivering on the brand promises, passionate brand advocates can be developed.

**Employee Retention: Problem**

The word ‘retention’ describes a state where employees will decide to work and stay in the organization. According to Buenger (2006), retention focuses on keeping the employees that contribute towards the success of the organization.

Employee retention is emerging as a serious workforce management challenge of the future. It dates its existence since early 1900 when the industrial engineers attempted to identify the major reason behind employees’ level of interest (Rowland & Ferris, 1982). Today, in the twenty-first century, employee retention still remains a major issue of concern for organizations.

As identified by the Society of Human Resource Management, it costs US$ 3,500 to replace an employee who is paid 8 US$ per hour. As per the research conducted by Hay Group (Global Management Consulting) in 2013, 49 million more employees will leave their organizations in the coming 5 years as compared to 2012. The study finds India to be more vulnerable to the conditions because of which it will experience high rate of attrition which will be globally pegged at 26.9 per cent.

For effective retention of workers, employers must be aware of the factors causing them to leave the organization (Mitchell, Holtom, Lee, Sablynski & Erez, 2001). Retention plan should be formulated to identify the reasons why people work, leave and choose other organizations over their existing ones. Every area where employees face dissatisfaction and lack of commitment should be analyzed.
In this section, we aim to identify how the predicted outcomes of employer branding, psychological contract and job satisfaction, help in attaining high retention among employees. Further, employee productivity will be studied as a predicted outcome of employee retention. Here, we consider the outcomes of employer branding as antecedents to employee retention/intention to stay. Thus, a relationship between employer branding and employee retention will be explored.

**Job Satisfaction as an Antecedent Variable of Employee Retention**

Job satisfaction is considered to be an important attribute of labour market as it affects employee quitting, job performance and productivity (Warr, 1999). Several researchers have suggested that job satisfaction is positively related to intention to stay (Light, 2004; Westlund & Hannon, 2008) and negatively related to intention to quit (Clark, 2001; Lum, Kervin, Clark, Reid & Sirola, 1998; Shields & Price, 2002). Job satisfaction has been consistently found to influence employee retention. It indicates how content an employee is with his/her current job. Westlund and Hannon (2008) found a significant predicting relationship between the software developers’ turnover intentions and nine facets of job satisfaction: (i) contingent rewards, (ii) promotion, (iii) supervision, (iv) pay, (v) operating conditions, (vi) co-workers, (vii) benefits, (viii) communication and (ix) the nature of work. In another study, Medina (2012) found that job satisfaction is inversely associated with turnover intention where organization culture moderates the magnitude of the relationship. It was revealed by sub-group analyses that job satisfaction is more predictive of turnover intention for younger workers. Furthermore, study conducted by Robinson and Barron (2007) focused on standardization and deskilling issues which reduced the level of job satisfaction among employees and ultimately urged them to leave the organization. Thus, job satisfaction is directly related to employee retention.

**Psychological Contract as an Antecedent Variable of Employee Retention**

Psychological contract which refers to employees’ evaluations of their deal with the organization has become a popular concept to curtail the problem of employee turnover (Rousseau, 1989). The main focus of psychological contract is an employee’s interpretations and evaluations and their impact on intention to stay (De Vos et al., 2005). Major studies have found a negative impact on employees’ intention to stay with the organization and breach of psychological contract (Coyle-Shapiro & Kessler, 2002; McInnis, 2012; Turnley & Feldman, 1998). According to the study conducted by De Vos and Meganck (2008), the psychological contract provides a useful framework to engage and retain employees. Career development opportunities, job content, social atmosphere financial rewards and WLB came out to be the five dimensions of psychological contract that helps an organization to retain employees. Turnley and Feldman (2000) study found that the violations of psychological contract are likely to have a negative impact on the behaviour and attitude of employees and increased attempts to leave the organizations. Employees’ perceptions of psychological contract were explored by McInnis (2012) through a mixed method design project. It was found that employees who perceived a psychological contract were more likely to score high on commitment and engagement ratings. On the contrary, employees who believe their psychological contract is breached reciprocated to the employer with intentions to leave.

Thus, from the above discussion, it can be inferred that psychological contract also impacts employee retention.

**Productivity as a Predicted Outcome of Employee Retention**

It has been argued that reduced productivity is one of the major losses an organization faces when an employee leave the organization. Stovel and Bontis (2002) suggest that high turnover can prove to be detrimental to the organization’s productivity. Similarly, Alexander, Bloom and Nuchols (1994) suggest that high voluntary turnover reduces the productivity by disrupting the input–throughput–output process of the organization which in turn leads to reduced organizational efficiency. Adding to the literature,
Brown and Medoff (1978) also found a strong negative relationship between productivity and turnover rate among employees. Thus, by retaining valuable workforce, productivity can be increased.

As stated by Rosethorn (2009, p. 23) about employer branding, ‘It has been too much about recruitment and not enough about life beyond on-boarding.’

**Objectives of the Study**

After going through the literature review, the following objectives have been established:

1. To explore the antecedents and outcomes of employer branding.
2. To establish a relationship between employer branding and employee retention.
3. To develop a conceptual framework linking various outcomes of employer branding with employee retention.
4. To conduct a qualitative pilot study to analyze the possible linkage between employer branding and employee retention.

**Rationale of the Study**

Employees are considered to be the most valuable assets of any organization. In this era, when the market is experiencing tight labour competition and technological advancement, retention of talented workforce becomes altogether important. The literature review explained above has clearly indicated that employer branding which comprises of various dimensions (WLB, training and development, work environment and CSR) has a positive influence on the organization as a whole (job satisfaction, psychological contract, organizational commitment, brand advocacy and productivity); yet, the possible linkage between employer branding and employee retention is left unclear. Furthermore, the link between employer branding and brand advocacy is not obvious. All these issues create research questions like: how can employer branding lead to retention of employees? How can employer branding help a firm create brand advocates? The current research will thus help in analyzing the possible linkages by developing conceptual framework and later validating it through a qualitative pilot study.

**Research Methodology**

Keeping in view the purpose of the study, qualitative research methodology was selected. Both inductive (meaning derived from particular phenomenon) and deductive (using theoretical work available in literature) were applied in the study.

**Selection of Organization**

The authors conducted the qualitative pilot study of a large multinational information technology (IT) service provider. It is one of the largest India-based IT services company. It operates in 46 countries that employ over 3,00,000 professionals. It is the world’s 10th largest IT service provider. It has 199 offices across 44 countries. It is the second largest employer among listed Indian companies. It won the ‘Recruiting and Staffing Industry Leader of the Year’ and the ‘Best Employer Brand’ awards at the World
HRD Congress annual meet in 2012. Moreover, it has been ranked among the ‘Most Attractive Companies’ for three consecutive years (2012–2014) by Randstad Employer Branding Awards.

**Sampling and Data Collection**

The sample of the study comprises employees working at various levels of an IT giant. In total, 25 employees of the company working at three locations: National Capital Region (NCR), Hyderabad and Mumbai were interviewed. The interviews at NCR were conducted face-to-face except for 10 telephone interviews conducted for Hyderabad and Mumbai offices. The choice of locations provided a three-dimensional perspective of the organization’s operations in India. Each interview lasted for approximately 30–45 minutes.

**Method of Data Collection**

In-depth interviews were conducted to explore respondents’ understanding of employer branding construct. To start with the data collection process, the interviewees were briefed on the topic to ensure that they have sufficient knowledge about the concept prior to interviews. This also facilitates validity and reliability (Saunders et al., 2000). The responses were transcribed but not audio-taped as advised by the HR department.

**Theoretical Framework**

Based on the review of literature, a conceptual framework for understanding the dimensions and outcomes of employer branding is presented in Figure 1. According to the figure, employer branding is

![Figure 1. Employer Branding Framework](image)

**Source:** Authors' own.

**Note:** 
* WLB: work–life balance; CSR: corporate social responsibility; Work env: work environment; EB: employer branding and Orgn commitment: organizational commitment.
made up of four dimensions: CSR, WLB, training and development and work environment. Further, employer branding creates five possible outcomes: job satisfaction, psychological contract, productivity, organizational commitment and brand advocacy. Employer branding impacts job satisfaction and psychological contract which in turn impacts retention of employees. Retention of employees further impacts productivity. Next, employer branding contributes to organizational commitment which in turn leads to creation of brand advocacy. A direct link between employer branding and productivity can also be seen which shows that employer branding directly impacts productivity without the mediating effect of job satisfaction and psychological contract. Similarly, another direct link between employer branding and brand advocacy can be seen which predicts a direct linkage between employer branding and brand advocacy without the mediating effect of organizational commitment.

Analysis

In order to provide an initial test of the conceptual framework, the authors collected data by interviewing employees working in an IT giant. In this section, we report the findings from the pilot study conducted. The employer branding construct in this study comprises four antecedents and five outcome variables. The dimensions and themes that emerged are summarized in Table 1.

Table 1. Summary of Employer Branding Antecedents: Outcomes and Themes (attributes)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Dimensions (employer branding)</th>
<th>Themes (attributes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Work Environment</td>
<td>a. Global exposure</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Helpful and friendly co-workers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c. Safe work environment</td>
</tr>
<tr>
<td>2</td>
<td>Corporate Social Responsibility</td>
<td>a. Stringent code of conduct</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Initiatives including health, education and environment</td>
</tr>
<tr>
<td>3</td>
<td>Work–life Balance</td>
<td>a. Flexi-working</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Work from home</td>
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<tr>
<td></td>
<td></td>
<td>c. Fun events</td>
</tr>
<tr>
<td>4</td>
<td>Training and Development</td>
<td>a. Online training facility</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Learning and development programmes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c. Orientation and training of new recruits</td>
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</table>

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<thead>
<tr>
<th>S. No.</th>
<th>Outcomes (employer branding)</th>
<th>Themes (attributes)</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Job Satisfaction</td>
<td>a. Benefit structure</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Fair management</td>
</tr>
<tr>
<td>2</td>
<td>Psychological Contract</td>
<td>a. Fulfilment of obligations/expectations</td>
</tr>
<tr>
<td>3</td>
<td>Organizational Commitment</td>
<td>a. Compensation structure</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Growth opportunities</td>
</tr>
<tr>
<td>4</td>
<td>Intention to Stay/Retention of Employees</td>
<td>a. Employees' intention to stay with the organization for coming years.</td>
</tr>
<tr>
<td>5</td>
<td>Productivity</td>
<td>a. Increase in performance level</td>
</tr>
<tr>
<td>6</td>
<td>Brand Advocacy</td>
<td>a. Positive word of mouth</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b. Best possible information about the organization</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c. Social media for brand promotion</td>
</tr>
</tbody>
</table>

Source: Qualitative Interviews.
Analysis and Discussion of Antecedents of Employer Branding

Work Environment

Work environment is fast emerging as an important element of employer branding to attract as well as engage employees.

As said by the HR Manager:

*Compensation is not the only factor an employee looks out for; the environment where they work is equally important.*

Global exposure is also a part of work environment at the organization. Employees get opportunities to work on global projects, the duration of which varies from one month to permanent settlement. When asked about what they like most about the work environment, an employee answered:

*It feels good to be here. I have made good friends. We work together in teams and the end results are excellent. Co-workers are helpful and friendly.*

One female candidate mentioned:

*My organisation provides me with safe working environment. I usually work in night shifts. Commuting back home is not a problem as the organisation provides pick and drop cab facility. Moreover, my team lead is very understanding and helpful. I feel energised at work.*

As it can be seen from the replies, helpful and friendly co-workers, safe work environment and global exposure turn out to be major factors affecting employees’ decision regarding work environment of the company.

Corporate Social Responsibility

The principle of the organization’s CSR initiatives is ‘Impact through Empowerment’ where empowerment means minimizing present risks and creating value for future. Major areas chosen by the organization for CSR initiatives are health, education and environment. For imparting education, the organization has initiated ‘Adult Literacy Programme’ and ‘Insight Programme’ which would help in development of communication skills of school children. For successful environment management, the company has developed its ‘Environment Policy’ which strives to achieve sustainable growth through green IT solutions and offerings. The organization also has a stringent code of conduct that every employee is supposed to follow irrespective of his position or location.

As said by a Database Administrator (DBA):

*If an employee fails to adhere to the code of conduct, the consequences can be very severe leading to termination of employment.*

When asked as to what the employees know about the CSR of their organization, one employee answered:

*It is a moral responsibility of our organization towards the society and environment. ‘World Earth Day’ and ‘World Environment Week’ is few days observed in our organization.*
Work–Life Balance

The IT giant considers WLB initiatives to be a crucial aspect for employees’ growth. Offices in Mumbai and Gurgaon are well equipped with state-of-the-art gymnasium facility.

According to the HR Manager:

Various fun events like family outings, trekking and new-year celebrations are organized to manage a better work–life balance among employees.

In order to understand the employees’ perception about WLB, their tendency to focus on work and personal life was established. Most of the employees interviewed claimed that their WLB was balanced. Employees were asked about flexible working, work from home facility and family time. When asked about flexible working, most of the employees sounded content as they were given preference for swapping shifts with their colleagues in case they provided some valid reason. Work from home facility is also available where employees can sit back home and continue working until the task is over. When asked about family time, most of the female workers said that they were able to spare time with their children at home. It was only during some meetings and conferences that they could not pay much attention to family needs.

For example, a middle-aged employee explained:

I work for longer hours on weekdays but on weekends I am able to spend quality time with my kids and wife. In that way balance is maintained between my work and family life.

Holiday home facility is also available that can be availed by employees for famous tourist places. From the interviews, it was apparent that the employees were able to recall various initiatives taken by the organization to manage WLB.

Training and Development

The organization has invested heavily in research and development which has helped it to develop a skilled workforce for the industry. Various learning and development programmes have been initiated by the company to groom the employees. The programs range from providing training to new recruits to development programmes for experienced professionals. Online training facility is also available which can be accessed by the employee as and when required. As told by the one of the IT Analysts, various faculty development programmes were also organized by the company in FY13–14, covering topics, such as cloud computing, signal and data processing and JAVA programming. Adding another feather in the hat, the company is planning to set up ‘world’s largest’ training centre which will have the facility to train at least 50,000 professionals every year.

A generation Y employee reflected:

I believe my performance at work has increased due to regular training programmes organized by the company. It’s quite exciting to learn new things especially when you are working in teams.

When asked whether development programmes are worth the money spend on them, one employee commented:

My efficiency has increased from the first the day I joined this company. Training programmes are organised every month. Most of them are compulsory. Whatever we learn is worth every penny spent on its incorporation.
It felt pertinent from the interview that employees felt excited about their training and development programmes. Most of them got the opportunity to interact with experts from various fields. There were only a few who found training session pretty long and boring.

Analysis and Discussion of Outcomes of Employer Branding

As discussed in previous sections, the aim of employer branding is not restricted to attracting potential employees, but also has influence on satisfaction and commitment of employees (Maxwell & Knox, 2009). Discussion on employer branding has been too much about recruitment and not enough about life beyond that (Rosethorn, 2009). The objective of retaining and engaging current workforce can be argued as an equally important purpose of employer branding. The following section discusses the results of pilot study for outcomes of employer branding.

Job Satisfaction

As discussed in preceding sections, job satisfaction is the positive aspect of work. In order to gain insight into satisfaction level of employees, open-ended questions were asked. For example, ‘What satisfies you most at work?’ ‘Is there anything else that can enhance your satisfaction level?’

An important satisfaction variable found among employees was ‘job security’. Most of the employees felt secure about their current job positions.

As said by one of the employees:

*I feel secure about my current position. We have the option to switch over to other project in case the management feels that we are apt for the position.*

Another variable that emerged as a satisfier among employees was the ‘benefit structure’. Most of them found the benefits offered to be attractive. Paid time-off, medical coverage and incentive stock option plan were few of the benefits packages offered by the organization to the employees.

For other employees, ‘fair management of the organisation’ acted as a major job satisfier. Most of the employees felt safe and positive about their supervisors and peers. Employees had trust in their organization.

Psychological Contract

As explained above, psychological contract is the set of expectations both employer and employee has towards each other. When these expectations are fulfilled, employees tend to work more and intend to stay in the organization. However, violations of such expectations can leave the employees cynical and disillusioned. Here, the respondents were asked about the expectations they carried at the time of joining the organization and whether the expectations were duly met. When employees were asked whether employer has fulfilled the obligations as promised, we got mixed responses.

One of the employees (Assistant Engineer) replied:

*For me autonomy means a lot and my organization gives me enough freedom to take decisions on my own. Till date, my expectations are duly met. Who knows what will happen next year? As of now I have been getting whatever I wanted from this organization.*

Another employee who has recently joined the organization replied:

*Considering it to be one of the best places to work for, my expectations were pretty high. But after few months I realized that the organization is not paying heed to my demands. I m asked to work at odd shifts and my performance is often under-rated. I feel betrayed. I doubt my future with this company.*
While majority of the employees felt that their expectations are being met by the organization, for few others, the company has not played its part properly. The organization should, thus, pay attention to employees whose trust is being violated so as to retain them for longer duration.

**Organizational Commitment**

Commitment of the employees towards the organization is considered important to improve performance at work as well as to retain efficient workforce. As defined by Allen and Meyer (1990), ‘organisational commitment is a psychological state that binds the individual to the organisation’. It is important for the management to know the factors that enhance commitment level among employees so that productive workforce can be generated. When asked about what drives commitment among employees, compensation structure and growth opportunities emerged out to be the two most important factors affecting commitment among employees. Most of the employees said that monetary rewards affected their decision to stay in the organization and if paid high they would go extra mile to get best results for the organization.

As one employee stated:

*Money matters. Especially when you are working for a prestigious organization your expectations are high. The cost of living has increased. It’s not easy to afford the best things in life. So in order to stay in one organization for longer span, a good compensation package becomes a necessity."

Another employee answered:

*I intend to stay here for the coming years. Having been voted as one of the best companies to work for, we are getting the relevant exposure. We even get to meet experts from our field. It is quite encouraging. I am glad I chose this company to work for over other available options.*

Also, when asked about their loyalty towards the organization, many employees stated that they were quite satisfied with their job and would not like to join other organization.

Thus, it can be asserted that when an employee is content with his job and would not like to switch over to the competitive firm, his commitment level towards the organization is high. In addition, this can be achieved by providing an attractive compensation package and by providing good career opportunities to the workforce. Therefore, it can be said that employer branding is helpful in creating a loyal manpower.

**Employee Retention/intention to Stay**

In the study, in order to measure results of employer branding on employee retention, questions on intention to stay were asked. Direct questions like ‘Do you intent to stay in the organisation for coming years’ were asked. Because most of the people were satisfied with their work, the answers turned out to be favouring their intention to stay with the organization. There were hardly a couple of employees who felt like switching to other organizations in the near future.

As one of the employees answered:

*Five years down the lane, I see myself progressing in the same company.*

Another employee explained:

*Flexible work hours and immense growth opportunities are the two factors that motivate me at work. I see myself working permanently with this company.*

Thus, from the above replies, it can be interpreted that employer branding has a positive impact on employees’ intention to stay.
Productivity

Productivity is a complex issue. It is not easy to measure it through qualitative analysis. It is more of a quantitative phenomenon. As Backhaus and Tikoo (2004) suggests, productivity can be measured at both individual and organizational level. While conducting qualitative research, employees were asked one question on productivity—‘Do you think your performance level has increased while working for this company?’

Most of the employees replied in affirmative, while there were few who found no change in their performance level. An empirical research identifying the change in productivity at individual and organizational level is required to get better insight into this concept.

Brand Advocacy

As defined in the previous sections, people who share positive word of mouth about their brand are known as brand advocates. Here, we wanted to know how the employees view the company as a brand and whether employees had enough information about how can they act as brand ambassadors. As stated by Commander (2007), the basic premise for an employee to be brand advocate is to have enough information about the brand. When interviewed, a majority of employees were found to have the best possible insight about the organization. They supported the culture and atmosphere of the organization. The second stage for brand advocacy is to spread positive word of mouth about the brand. Here, we asked the employees whether they would recommend their organization to other people and which source will they use to promote their brand. Most of the employees replied in affirmative and said that they would definitely recommend others to join the organization because of the positive brand image they have created in their minds about the brand. There were only two employees profiled as ‘brand resisters’. They hesitated to recommend the organization to other people.

As far as the source for promoting the brand is concerned, social media turned out to be the primary source where employees can act as messenger for the brand. Thus, social media and internet emerged as vital tools for promoting brand of the organization.

Few of the replies of employees are mentioned below:

- I am happy to be a part of this organization and would love to see many other inspiring people to be a part of the family. I have already shared positive reviews on glass door.
- This place rocks! It can’t get better. I can’t see myself working for some other organization. Supportive team, host of learning opportunities and an attractive salary package: What else can one demand for? If this is what a brand advocate is called then Yes! I am one amongst them…and would surely recommend this place to other people.

Thus, it can be interpreted that employees are loyal to their organization and in turn promoting a positive word of mouth. Employer brand is helping the organization create brand advocates.

Findings and Discussion

Past literature on employer branding has suggested various antecedent and consequence variables, for example, organizational culture, HR policies, diversity at work, employee compensation, organizational reputation and so on. However, there is more to explore. The present study has explored the role that CSR, WLB, training and development and work environment can play in determining employer brand of an organization. Moreover, literature has also identified various outcome variables of employer
branding. In our study, we studied how employer branding is impacting other constructs including job satisfaction, psychological contract and organizational commitment which are suggested as antecedent variables of employee retention. Thus, a relationship between employer branding and employee retention is established. The pilot study has helped in understanding the organizational scenario of employer branding, while previous studies have mainly considered students’ perspectives which might lack the real opinion of current employees working for a branded organization (Berthon et al., 2005). The study has also included brand advocacy as a predicted outcome of employer branding which was somewhere missing in the literature.

**Conclusion**

*Academic Implications*

The literature on employer branding is still at a developing stage. In present research, the relationship between employer branding and employee retention is explored. This research contributes to the employer branding literature in two ways. First, the research explored the antecedents of employer branding. The pilot study of an IT firm by conducting in-depth interviews with employees has contributed to adding more insight into the realities of organization regarding employer branding concept. Second, the study also found that the outcomes of employer branding to be antecedents of employee retention. Thus, if an organization has a strong employer brand, it will impact job satisfaction as well as psychological contract of employees which are tested antecedents of employee retention. The study further shows that employer branding impacts organizational commitment which in turn produces employee brand advocacy. However, to be brand advocates, employees must have complete information about the organizational culture and values. Moreover, there is paucity of research in the area of employer branding and brand advocacy as well as employer branding and productivity. Research needs to be conducted to analyze the extent to which employer branding efforts are contributing to individual as well as organizational level productivity. It is also necessary to know whether committed employees are the source of building brand advocates or they can be directly developed by employer branding efforts.

*Managerial Implications*

The present study examined antecedent variables that can enhance employer brand of an organization. The study suggests that by incorporating good work–life benefits, developing a healthy work environment, initiating CSR activities and providing good learning opportunities to employees, an organization can develop a strong employer brand. In addition, when a company develops a strong employer brand, it would be able to attract as well as retain talented workforce. The study also showed how employer branding helps in developing brand advocates. Thus, by properly communicating employer value proposition among employees and recognizing them at work, an organization can succeed in developing brand advocates. Furthermore, social media can be used as a promotional tool by employees to spread positive word of mouth about their organization.

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