Employer Brand Building for Effective Talent Management

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ABSTRACT

In today's increasingly competitive and complex business environment, organizations are placing greater emphasis on meeting their talent management needs. Attracting and retaining the right talent has become paramount, leading organizations to develop and project a brand image that reflects their values and philosophy. This process, known as employer branding, draws on principles from marketing and branding literature to position the organization as an employer of choice. Employer branding not only helps attract experienced employees but also serves as an enabler for internal brand building efforts within the organization. By creating a positive and compelling brand image, organizations can cultivate brand ambassadors who further enhance the organization's reputation as an employer of choice. Successfully managing employer branding requires a comprehensive approach and the commitment of all stakeholders within the organization. When executed effectively, employer branding can have a significant impact on talent management outcomes. This paper reviews existing literature to understand the influence of employer branding on talent management, explores strategies for branding organizations, and examines how global organizations leverage effective branding to attract and retain top talent.

INTRODUCTION

In today's fiercely competitive and globally interconnected business environment, organizations face the crucial task of securing a highly skilled and talented workforce to stay ahead. This challenge is compounded by various factors such as increasing job mobility, demographic shifts, an aging workforce, and escalating demand for specialized skills, knowledge, and education. Additionally, professionals are increasingly prone to changing jobs frequently, intensifying the competition for skilled labour, especially in knowledge-based, technical, and service-oriented sectors.

Given these circumstances, organizations must employ innovative approaches to attract potential recruits. A key aspect of this endeavor involves cultivating a compelling organizational brand and image that resonates with high-potential candidates. However, the challenge extends beyond recruitment; organizations must also focus on effectively engaging, leveraging, and retaining their top talent to support their talent management objectives and sustain their competitive edge.

1.1 Talent Management

Organizations are increasingly tasked with differentiating themselves to gain a competitive edge in the market amidst evolving challenges. This edge is attained through innovative work structures that offer greater flexibility and agility in responding to market demands, as well as human resources strategies aimed at enhancing internal creativity [6]. Key to this approach is the investment in employees who possess the requisite traits, skills, values, and experiences that align with the organization's intellectual capital. These individuals serve as a cornerstone for the organization's competitive advantage, playing a pivotal role in its success or downfall.

1.2 Employer Branding (EB)

It is a concept that dates back to 1996 when Ambler and Barrow [14] (p. 8) defined it as the comprehensive package of functional, economic, and psychological aspects associated with a job within a particular company. Over time, EB has gained prominence, especially in the realm of talent management [5]. The pioneers of the initial EB model, Backhaus and Tikoo [15], emphasize three essential components for building the employer brand: organizational culture, organizational identity, and a unique value proposition.
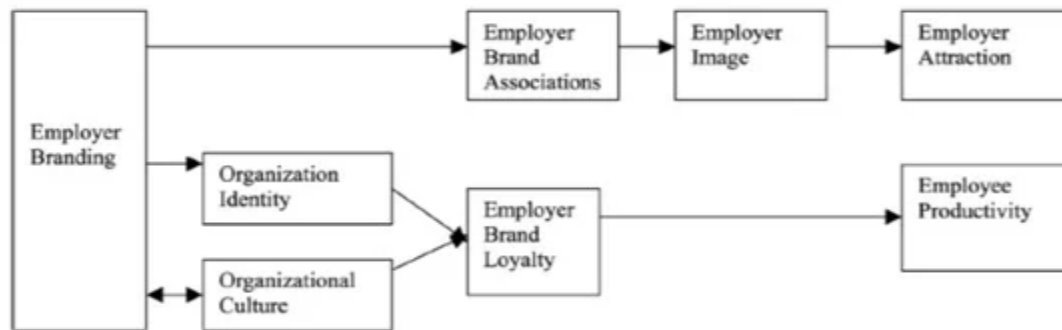
Following recruitment efforts, organizations must also focus on engaging, effectively utilizing, and retaining their high-caliber workforce to support talent management strategies and maintain competitive advantage. This necessitates the development and portrayal of a brand image to attract individuals with the right competencies and skills. The key lies not in short-term tactics but rather in a long-term commitment to becoming the Employer of Choice. This involves applying branding principles and practices to the HR function to effectively market themselves to potential recruits and retain their existing workforce. As defined by Lloyd [3], employer branding encompasses all of a company's endeavors to communicate to current and prospective employees that it is an attractive place to work. Employers increasingly utilize employer branding to differentiate themselves in the competitive landscape of talent acquisition.

OBJECTIVES

Employer Branding and Organizational Attractiveness

Conceptualizing Internal Branding in Talent Management System:(An Enabler of Employees' Brand-Building Behaviour)

i.   Employer Branding and Organisational Attractiveness

Employer attractiveness, closely linked to employer branding, refers to the perceived benefits that potential employees associate with working for a specific organization [9]. It serves as a strategic response to the staffing challenges faced by organizations today. Studies indicate that job seekers' perceptions of organizational image significantly influence their attractiveness to potential recruits and initial job choices [10-12]. Therefore, organizations can shape their efforts to attract, retain, and motivate individuals who align with their company's values and can fulfil its brand promise .

Backhaus and Tikoo outline a three-step process for employer branding. Firstly, it involves developing a unique "value proposition" that articulates the organization's identity, encompassing elements such as culture, management style, employment image, and perceptions of product or service quality. This proposition encompasses what makes the organization distinctive and desirable.

Subsequently, the organization markets this value proposition to prospective employees directly or through intermediaries such as executive search firms. It's crucial for the employer brand to maintain a consistent image that aligns with all other branding efforts.

Finally, the third aspect of employer branding involves fulfilling the brand "promises" made to recruits, cultivating a workforce that identifies with the organization's values and goals. Being an employer of choice offers benefits such as reduced turnover, increased innovation and creativity, greater resilience against economic downturns, and enhanced levels of customer satisfaction and loyalty.

ii.	Internal branding concept in Talent Management System

It serves as a catalyst for employees' efforts in building the brand's credibility. It's crucial for the desired brand values to align with employees' values, reinforcing the employer branding endeavours [16]. Bergstrom et al. [17] define internal branding as the process of conveying the brand to employees, convincing them of its value, and associating every job within the organization with delivering the brand essence. Sergio Zeeman [18], a renowned former chief marketing officer, emphasized the importance of first selling the brand to employees before promoting it to consumers. He highlighted that the brand's position in consumers' minds relies heavily on the company's employees. Successful internal brand management operates on the principle of an employment relationship being an exchange, where the employer provides material and socio-economic benefits in return for employee loyalty and efforts. Creating a conducive environment that encourages positive employee behaviour, leading to enhanced efforts and brand building, is vital. This involves effectively communicating the brand identity to employees through information dissemination [19].

Employer branding fosters strong organizational identification and positive employee attitudes, as suggested by Social Identity Theory.

In summary, effective human capital practices positively impact shareholder value and contribute to the bottom line. Strong employer brands feature a compelling employee value proposition (EVP), evident in the organization's actions and behaviours, offering both emotional and tangible benefits to prospective and current employees. A well-planned and effectively implemented EVP leads to profitability and competitive advantage for the organization.

Literature Review

I.   The impact of employer branding on organizational commitment and employer brand loyalty: It is crucial in understanding the dynamics of human resource management. Employer branding encompasses tangible and intangible benefits offered by organizations through HR policies to attract and retain employees [Tumasjan et al., 2020]. It enhances organizational commitment, defined as the level of employees' engagement with their organization [Gilani and Cunningham, 2017]. Research has highlighted five dimensions of employer branding essential for employee productivity: work-life balance, healthy work atmosphere, training and development, ethics and corporate social responsibility, and compensation and benefits [Mouton and Bossin, 2019].

Hence, the following hypotheses are proposed:

: *Work-life balance positively impacts organisational commitment.*

: Healthy work atmosphere positively impacts organisational commitment.
: Training and development positively impact organisational commitment.
: Ethics and CSR positively impact organisational commitment.
: Compensation and benefits positively impact organisational commitment.

ii. Branding theory emphasizes that a company's brand image and reputation significantly influence its ability to attract and retain employees [Melewar and Nguyen, 2014]. Similarly, a strong employer brand image fosters organizational commitment among employees [Tumasjan et al., 2020], which can lead to improved job performance, reduced turnover, and increased organizational citizenship behaviours [A. Ahmad et al., 2020].

iii. The dimensions of employer branding, such as work-life balance, healthy work atmosphere, training and development, ethics and corporate social responsibility, and compensation and benefits, all positively impact organizational commitment [Hofmann and Stok burger-Sauer, 2017; Teo et al., 2020; Sung and Choi, 2018; Bouraoui et al., 2018]. Furthermore, employer branding contributes to employer brand loyalty, as employees develop loyalty to the brand they work for [Kim and Jang, 2021a]. Employer brand loyalty leads to increased employee retention and performance levels, contributing to organizational success [Hofmann and Stok burger-Sauer, 2017].

iv. Organizational commitment significantly influences employer brand loyalty [Leung and Lin, 2022], which, in turn, affects employee retention and organizational performance [Mouton and Bossin, 2019]. The mediating role of organizational commitment, employer brand loyalty, and employee retention in influencing organizational performance is significant [Yao et al., 2019; Jung et al., 2021]. Overall, understanding the interplay between employer branding, organizational commitment, employer brand loyalty, and employee retention is essential for enhancing organizational performance. This study aims to explore these relationships in the context of the hotel industry in Pakistan, shedding light on the significance of employer branding strategies in driving organizational success.

RESEARCH AND FINDINGS

1. Process of developing Employer Brand: Employer branding is vital for organizations to cultivate a desired brand image among both current and potential employees. This process begins with defining the organization's mission and how it aims to achieve it, setting the foundation for its brand image. This brand image is reinforced through various channels:
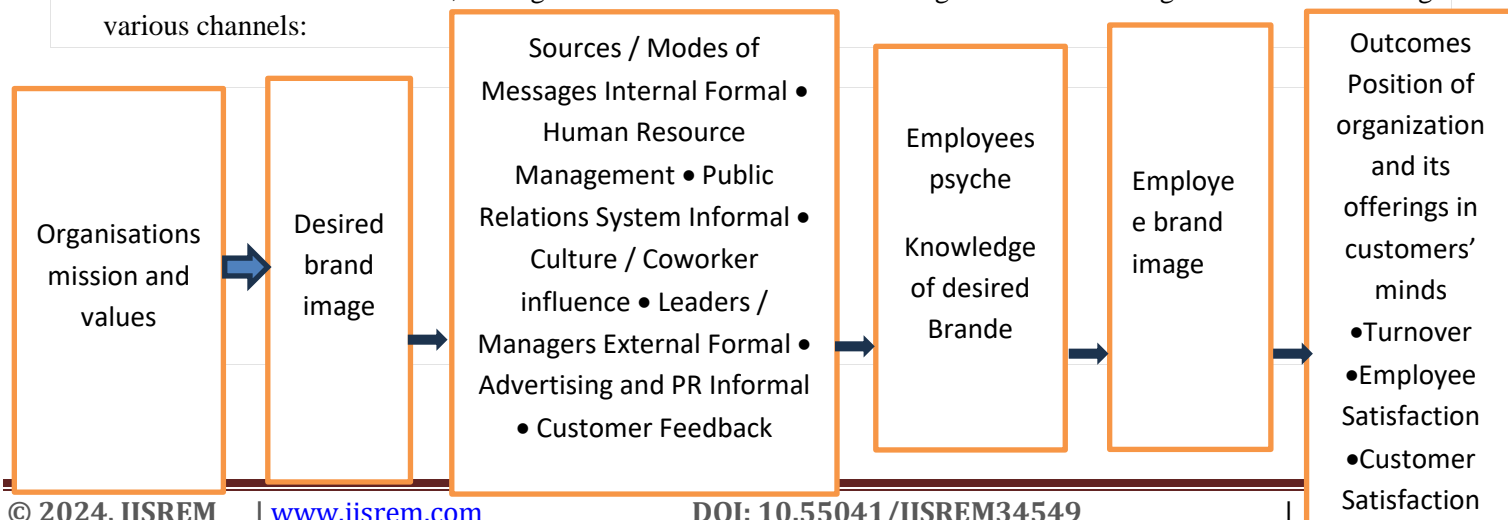
- **Formal Internal Sources:** Formal messages, such as policies and processes, reflect the organization's commitment to its employees and customer service. Staffing and training processes ensure alignment with organizational values, which is then projected externally.
- **Informal Internal Sources:** Interactions between coworkers and leaders also contribute to the transmission of brand image and values within the organization's culture.
- **Formal External Sources:** Organizations use advertising, public relations, and participation in surveys like 'Best Employer' to shape their brand image externally, attracting talent and media attention.
- **Informal External Sources:** External stakeholder feedback, including customer feedback and word-of-mouth, influenced by employee attitudes, also contributes to the organization's brand perception.

To encourage employees to embody and represent the desired brand, organizations must recruit, train, and develop individuals who align with corporate values. Employees should not only deliver the brand promise but also serve as ambassadors for the brand. This sustained effort ensures consistency and authenticity in the organization's brand portrayal.

ii.Current Trends in Employer Branding: Employer branding is currently experiencing a surge in interest among both academics and HR professionals globally. According to a study by LinkedIn [25] surveying 3,894 talent acquisition decision-makers, there has been a notable increase in organizations' investment in their employer brand. The study revealed that 59% of organizations are allocating more resources to their employer brand compared to the previous year. Furthermore, Figure 2 illustrates a trend where organizations, despite a decline in 2014, have begun to refocus their efforts on employer branding strategies.

Organizations are directing their attention towards building robust employer brands that reflect their core values and corporate culture. Companies like Unilever, Accor Hotels, and Reliance Broadcast are actively hiring professionals to craft their employee value proposition and promote their brand internally and externally. The advantages stemming from a strong employer brand are becoming increasingly apparent.

iii.Employer Branding in India: In India, employer branding has become a vital aspect of HR practices, indicating a shift towards more progressive approaches. A survey by People Matters and Monster.com revealed that 75% of CEOs consider employer branding a top priority. While traditional channels are still prevalent, there is a rising trend towards social and non-conventional channels for employer branding. Given the competitive talent landscape in India, organizations like Tata Consultancy Services and Yes Bank have developed strong employee value propositions linked to their core values. They are leveraging social media and participating in initiatives like the Best Places to Work survey to enhance their employer brand presence and attract top talent.

METHODOLOGY

- SECONDARY DATA COLLECTION
- PREVIOUSLY ANALYSED RESEARCH PAPERS
- GAP IDENTIFICATION & MODIFICATION

CONCLUSION

Employer branding has emerged as a critical focus area in both academic discourse and practical implementation. With organizations grappling with talent shortages, the imperative to differentiate and promote their brand to potential candidates has never been more apparent. Moreover, in today's socially transparent environment, the advocacy of employees holds significant sway.

Organizations must prioritize delivering on their brand promises and fostering commitment among existing employees to cultivate brand ambassadors who actively contribute to the organization's branding endeavours. This entails leveraging social media and other platforms to craft and disseminate their brand narrative effectively.

Roles such as Employer Brand Marketing Lead, Employer Brand Manager, and Director of Marketing Communication and Employment Brand are increasingly prevalent within organizations, reflecting the growing emphasis on employer branding. Furthermore, the establishment of Employer Branding awards by various rating agencies and the presence of online institutes dedicated to this subject underscore its significance.

In essence, building a robust brand image not only supports talent management initiatives but also cultivates brand champions within the organization. However, achieving these demands sustained and concerted efforts, ultimately leading to a sustainable competitive advantage in the long term.

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