Employer Brand as a Predictor of Employee Satisfaction

S. Vasantha

Professor, School of Management Studies, Vels Institute of Science, Technology and Advanced Studies (VISTAS), Pallavaram, Chennai

ABSTRACT

Objective: The paper aims to analyse perception experienced by employers towards employer and the influence of Employer brand on Employee satisfaction. Employer brand refers to method in which organisations discriminate themselves in the employment market, be eligible them to recruit, retain and employ the right people .Employer branding is a competitive benefit for any organization for the success in the business and determines the value of company's intangible assets. A strong employer brand will help the organization to differentiate itself in market place and acquire the best people. The brand communicates the uniqueness of an organization. It "shows" what the organization stands for. Employee satisfaction refers to the overall satisfaction of employees towards their organization and its measure by satisfaction with job and life as a whole

Methodology: This study attempts to find out the influence of Employer branding on satisfaction of employees from the perspective of Employees in IT in companies at major IT hubs of India.

Findings: The brand experience occupies an important role in accomplishing a high level of satisfaction and make the people to feel great place to work.

Novelty & Applications: The formation of an employer brand that leads to better level of employee approaches, the positive approach of employee which simultaneously affects the customer satisfaction and profits of the businesses. This study will be useful to enhance the satisfaction of the employee

Keywords: Employer Brand, organisation, Satisfaction

INTRODUCTION

Employer branding as a concept for attractive an organization's image and reputation. Which leads organizations to develop employees' positive attitude, satisfaction and commitment to the organization. Employee satisfaction describes whether employees are able to fulfil their goals and happy and work environment. Satisfaction is not only linked to compensation, but the benefits the employees receive will probably improve employee contentment, and impact their intention to stay with the organization. Employee satisfaction is a significant factor which influence customer satisfaction and organizational performance. Heskett et al. (1997)¹ in their study proves that the important companies' links profit and progress to loyalty and job satisfaction and obligation are linked to customer's opinions of value and to profits .According to Barrow and Mosley (2005)², employer branding is used not only to communicate the personality of a company but also used to inspire and participate employees. it is an emotional relationship between an employer and employee. Vaijayanthi, P et.al, (2011)³ confirms the relationship between employer brand and organization commitment in the work place. It contributes high score for employer brand. Bergstrom and Anderson, (2001)⁴ emphasizes that the company's goal is to motivate employees by increasing employees' satisfaction by tangible and intangible benefits and emphasizing their employment image as an employer contribution to job satisfaction and interesting work.

OBJECTIVES OF THE STUDY

The objective of the research is to find out perspective of employees about their dream company to work and perception experienced towards employer brand .The second objective of the study attempts to find out factors influence employee satisfaction and its relationship with employer brand

RESEARCH METHODOLOGY

This study was conducted to find out the influence of Employer branding on satisfaction of employees from the perspective of Employees in IT in companies at major IT hubs of India. The scope is limited with the employees' perspective of IT hubs has been considered for this study.

Research Sample: Total numbers of respondents who are actually in IT sector were chosen and questionnaire was administered to 200 respondents across the country.

ANALYSIS AND INTERPRETATION

Table 1: Dream Company to work

| Dream Company | Frequency | Percent | |
|---------------|-----------|---------|--|
| Yes | 140 | 70 | |
| No | 60 | 30 | |
| Total | 200 | 100.0 | |

The above table shows the perspective of employees about their dream company to work. The respondents were asked a question "Do you have a dream company to work". Among them 70 percent of the respondents said yes, while 30 percent had no such intention. Among 30% most of the employees preferred companies like, Tata Consultancy Services (TCS), Google, Infosys, Amazon, IBM and Facebook

| Table 2: Frequency Distribution of Level of |
|--|
| Employer Brand experienced by Employees |

| Level-Experienced | Frequency | Percent | |
|-------------------|-----------|---------|--|
| Low | 51 | 25.5 | |
| Moderate | 95 | 47.5 | |
| High | 54 | 27 | |
| Total | 200 | 100.0 | |

The table 2 shows the level of Employer brand experienced among the respondents 27 percent of employees have high level of Employer brand experienced, while nearly 48 percent of employees have moderate level of Employer brand experienced and 25 percent of Employees have low level of Employer brand value experienced.

Table 3: Frequency Distribution of Level ofEmployee Satisfaction

| Level-Satisfaction | Frequency | Percent |
|--------------------|-----------|---------|
| Low | 57 | 28.3 |
| Moderate | 89 | 44.7 |
| High | 54 | 27 |
| Total | 414 | 100.0 |

Table 3 shows the level of Employee Satisfaction among the respondents 27 percent of employees have high level of Satisfaction and 45 percent of employees have moderate level of Satisfaction, while 28 percent of Employees have low level of Satisfaction.

| Employee Satisfaction | Mean | Std. Deviation |
|--|------|----------------|
| Satisfaction with workplace | 3.57 | 0.953 |
| Feeling valued at work (Personal Recognition) | 3.87 | 1.097 |
| Satisfied with the management and the team I work | 3.60 | 1.027 |
| Organization satisfies my life as a whole | 3.52 | 0.728 |
| My job makes good use of my skills and abilities | 3.73 | 0.952 |
| Meaningful and fulfilling life | 3.64 | 0.985 |
| Overall happy with job and supportive work environment | 3.86 | 0.951 |
| Empowered to get things done | 3.76 | 0.799 |
| Paid right is the feeling of personal accomplishment | 3.76 | 0.857 |

Table 4: Mean and SD of Employee Satisfaction

The Employee Satisfaction construct includes different types of satisfaction as job satisfaction and Life satisfaction benefits as shown in table 4. Differences in means show that the feeling valued at work (personal recognition) is most important driver for satisfaction, and depended on the extent to which employees are happy

with overall job and work environment, The variable "Paid right is the feeling of personal accomplishments" is also one of the important drivers of Employee satisfaction. Satisfied employee are more important for the organization as they represent the company to the society.

From IP - 103.181.32.12 on dated 30-Sep-:

Down

Ho: There is no association level of Employer Brand value and Level of Employee Satisfaction

| Level of Employer | Level of Employee Satisfaction | | | | D |
|-------------------|--------------------------------|---------------|---------------|------------------|----------|
| Branding value | Low | Moderate | High | Chi-square Value | P value |
| Low | (57.8) [53.8] | (31.2) [18.4] | (11.0) [10.7] | | <0.001** |
| Moderate | (24.2) [40.2] | (53.1) [55.7] | (22.7) [39.3] | 95.46 | |
| High | (6.3) [6.0] | (43.2) [25.9] | (50.5) [50.0] | | |

 Table 5: Chi-square test for association between level of Employer Brand value and Level of Employee Satisfaction

Note:1. The value within () refers to Row Percentage

- 2. The value within [] refers to Column Percentage
- 3. ** Indicates significant at 1% level

Chi-square was performed to find the association between Employer brand value and Level of Employee Satisfaction. Since P value is less than 0.01, the hypothesis is rejected at 1 percent level of significance. Therefore it is found that there is association between Employer brand value and Employee Satisfaction. The row percentage shows that if Employer brand value is low then 57.8 percent of Employees feel low level of Satisfaction. Whereas if Level of Employer brand value is low by 31.2 then employees feel moderate level of Employer brand perceived by employees. If Employer brand value is high then 50.5 percent employees feel high level of satisfaction. From above table we can conclude that Employer brand value have positive impact on Employee Satisfaction

Table 6: Pearson Correlation Coefficient between overall factors of Employer Brand and Employee Satisfaction

| Overall Factors | Overall Employer brand Value | Perceived by Employees | Experienced by employees | Behavior at work | Employee Satisfaction |
|------------------------------|------------------------------------|---------------------------|-----------------------------|---------------------|--------------------------|
| Overall Employer brand Value | 1.000 | 0.850** | 0.836** | 0.513** | 0.619** |
| Perceived by Employees | | 1.000 | 0.899** | 0.564** | 0.546** |
| Experienced by employees | | | 1.000 | 0.556** | 0.545** |
| Behavior at work | | | | 1.000 | 0.447** |
| Employee Satisfaction | | | | | 1.000 |

Note: ** Correlation is significant at the 0.01 level (2-tailed).

Table 6.shows the relationship among all the factors and the relationship between the factors of Employer and Employee satisfaction. It shows that relationship between all factors are positive. The correlation coefficient between overall employer brand value and Employer Brand perceived by Employees is 0.850, which indicate 85 percentage positive relationships between the variables and is significant at 1percent level. The correlation coefficient between overall employer brand value and Employer brand experienced by Employees is 0.836, which indicate 83.6 percentage positive relationships between the variables and is significant at 1 percent level. The correlation coefficient between overall employer brand value and Behavior at work is 0.513, which indicate 51.3 percentage positive relationships between the variables and is significant at 1 percent level. The correlation coefficient between overall employer brand value and Employee Satisfaction is 0.619, which indicate 61.9 percentage positive relationships between the variables and is significant at 1 percent level

DISCUSSION & RESULTS

The empirical analysis shows that Employer brand has positive influence on Satisfaction of employees towards the organization. It was found that 70 percent of the employees have Dream Company to work. The study also shows that feeling valued at work (Personal Recognition) and overall happy with job and supportive work environment is the most important influential factor of Employee satisfaction. This result was evidenced from the study of Davies (2008)⁵ where satisfaction was decided by sociable and understanding features of company. Employer brand value is associated with Satisfaction levels of employees. It is evident from chi square test the level increase in Employer brand value also increases the level of Satisfaction of employees. The other important aspect of brand is to construct and increase satisfaction and satisfaction envisages future behaviour towards the brand Mittal & Kamakura (2001)⁶. The empirical study conducted over 113 companies through industry has accepted that in organisations with established employer brand, employees are more enthusiastically involved in decision-making and management method Kucherov&Zavyalova, (2012)7. The correlation analysis shows that positively influence the various factors of employer brand on employee satisfaction. Grönroos, C, (1985)8 focus on changes of individual behaviour within the organisation. Hanin, et.al (2014)9 describe the employer branding based on the employees attitude and behaviour further discuss about the organisation communication.

CONCLUSION

The companies are facing many difficulties which could affect the corporate image negatively. Employer Branding plays significant role on in disabling these problems. A strong employer brand supports companies challenge for the best talent and create a trustworthiness. However, it is important that employees at all stages are conscious of the culture, norms and values of the company in order to enable the total brand experience, which plays an significant role in accomplishing a high level of satisfaction and change the organization into an great place to work.

Ethical Clearance: Not Applicable

Source of Funding: Self

Conflict of Interest: NIL

REFERENCES

- Heskett, J.I., Sasser, W.E. and Schlesinger, L.A. (1997), The Service Profit Chain: How Leading Companies Link Profit and Growth to Loyalty, Satisfaction, and Value, Free Press, New York, NY.
- Barrow, S. (2007), "The future of employer branding and HR? Employer branding: the latest fad or the future for HR?", Chartered Institute of Personnel and Development (CIPD) Guide, CIPD, London, pp. 12-14
- 3. Vaijayanthi, P., Roy, R., Shreenivasan, K. A., &Srivathsan, J. (2011). Employer Branding as an Antecedent to Organisation Commitment: An Empirical Study. International Journal of Global Business, 4(2).
- Kaarina Bergstrom and Melanie Anderson (2001). Delivering on Promises to the market place. Journal of Integrated communications.
- Davies, G. (2008), "Employer Branding and Its Influence on Managers", European Journal of Marketing, 42(5/6): 667-81.
- Mittal, V. & Kamakura, W.A. (2001), "Satisfaction, Repurchase Intent, and Repurchase Behaviour: Investigating the Moderating Effect of Customer Characteristics" Journal of Marketing Research, 38 (1): 131-42.
- Kucherov&Zavyalova (2012) Engaging People with employer branding published on Science direct, Elsevier Journal.
- Grönroos, C, 1985. Internal Marketing: Theory and Practice. In Bloch, T., Upah, G. and Zeithaml, VA., (Eds.), Service Marketing in a changing Environment. AMA, Chicago, II, 41-47.
- Hanin, D., Stinglhamber, F., &Delobbe, N. (2014). The impact of employer branding on employees: the role of employment offering in the prediction of their affective commitment. PsychologicaBelgica, 53(4), 57-83.