

IMPACT OF EMPLOYER BRANDING ON EMPLOYEES' RETENTION

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ABSTRACT

Employer branding develops brand trust among the employees. In service organizations employer branding helps employees to develop commitment and loyalty towards the organization. Employer brand equity encourages existing employees to stay with, and support the organization. Employer brand equity is the desired outcome of employer branding activities. In other words, potential or existing employees will react differently to similar recruitment, selection, and retention efforts from different firms because of the underlying employer brand equity associated with these firms. This study consisted of 50 employees on simple random sampling and the employees worked under different centers within the organization of MMM Hospital, Tiruchirappalli. So there is a highly significant relationship between employer branding and their employee retention.

Keywords: Employer brand, Employee retention, work performance, values, Health Care.

INTRODUCTION

Employer branding is gaining significant importance to overcome shortage of skilled labor. Employer branding is the package of functional, economic and psychological benefits offered by the employer to attract potential employees and to retain existing talents in the organization. Organizations with good employer branding practices gain competitive advantage and are able to attract, engage and retain talents. Intention to join the organization for the potential employees, current employee's productivity and performance are higher in organization with employer brand when compared to organization without employer brand. These employees are happy to stay with the branded organizations even for lesser salary. Organizations with strong employer brand image have increase in percentage of new recruits and decrease in percentage of employee turnover. The greater

the employer brand image, the greater is the brand affinity and satisfaction of employees towards the organization.

Employer brand image has significant impact on attitude of employees towards retention but these attitudes will be converted into action/intention to stay with the organization by societal influence. Housing benefits/loans, high salary, and career/professional development are the talent management strategies adopted in manufacturing organizations whereas training opportunities, in-house training, performance related pay, building teamwork, job rotation, coaching and extra rewards such as bonus and housing funds are the talent management strategies adopted in service organizations. Among service sector in healthcare organization, job security, conducive work environment, interpersonal relationships, appropriate work load, work life balance initiatives and professional practices at work place are the important determinants of staff retention. These talent management strategies are combined together and emerged as five dimensions of employer branding such as economic value, developmental value, social value, interest value or diversity value and application value or reputation value. Economic value include good salary, reasonable retirement benefits and fair number of holidays, development value includes good training opportunity, good mentoring culture and empowering environment, the social value includes team spirit, skilled co-workers, friendly relationship with co-workers and respectful environment, the diversity value includes interesting job characteristics, challenging tasks and broad variety of task and reputation value includes well known products, good brand to mention in the resume and good reputation of the organization in the labor market.

Economic value, developmental value, diversity value and social value have greater impact on employee satisfaction which in turn will lead to retention whereas reputation value does have impact on employee satisfaction. Male and female employees and employees from different culture show different level of importance to the dimensions/ attributes of employer branding except for economic value, whereas there is no difference in the perception towards the employer branding dimensions regarding age and employability status. Thus the above stated research studies are the evidences to identify the impact of employer branding on employee retention. Whereas studies pertaining to employer branding in healthcare industry are very few and the influence of employer branding in retaining the staff has not been explored so far and this is identified as a major research gap to be investigated.

REVIEWS OF LITERATURE

Sivertzen et al. (2013) used the employer attractiveness scale (empAT) in Norway and found that economic, developmental, social, interest and application values proved important for potential employees. Corporate reputation is also considered as an important dimension for employer attractiveness. Paul Iles (2011) found that employer branding determinants such as, economic, developmental, social, interest and brand trust, create internal and external employee based brand equity and organizational attractiveness. Schlager et al. (2011) empirically tested the impact of employer branding on employees' attitude, especially in the service industry. They identified economic value, developmental value, social value, diversity and reputation value as the main employer brand dimensions. These dimensions show a positive impact on employees' satisfaction and identification. Weathington (2008) found that employees gave importance to both monetary and non monetary benefits. Non-monetary benefits like retirement benefits, medical benefits etc. have significant influence on employees' perception of a job.

SIGNIFICANCE OF THE RESEARCH

The reason why branding is chosen in the health sector is that health sector organisation must appeal to several different publics, not merely consumers. A consistent brand is a means for communicating organisational values to each of these public. These organisations mostly provide services that are intangible in nature and difficult to verify, brands provide trust and reduce uncertainties. This helps to overcome barriers of uncertainty that might otherwise prevent people from becoming customers. In order to keep the brand successful, trust must be a standard that hospitals offer their patients. When patients complaint, both the hospital and its employees must do their best to respond to the complaints and thereby maintain or rebuild trust.

OBJECTIVES OF THE STUDY

- To study the socio-demographic profile of the respondents in MMM hospital, Tiruchirappalli.
- To analyse the association between employer branding and their retention in healthcare industry.
- To suggest suitable measures and ensure the employee retention.

METHODS AND MATERIALS

The organization that was used in this study consisted of 50 employees on simple random sampling (Cocheran, 1998¹) and the employees worked under different centers within the organization of MMM Hospital, Tiruchirappalli.

DATA ANALYSIS AND INTERPRETATION

Table - 1: Socio-demographic profile of the respondents

Particulars	No.of respondents (n=50)	Percentage (100%)
Gender		
Male	17	34
Female	33	66
Designation		
Technicians	17	34
Physicians	4	8
Pharmacist	6	12
Nurses	23	46

Source: Primary data

The above percentage analysis table indicates that majority (66 per cent) of the respondents were female and remaining 34 per cent were male. Nearly half (46 per cent) of the respondents were nurse, 34 per cent were technicians, 12 per cent were pharmacist and remaining 8 per cent were physicians.

Table - 2: Difference between gender and designation of the respondents and their overall employer branding

Overall employer branding	n	Mean	S.D	Statistical inference
Gender				
Male	17	19.08	0.894	t=3.149 p>0.05 Not Significant
Female	33	18.92	1.942	
Designation				
Technicians	17	19.23	0.872	f=4.745 p>0.05 Not Significant
Physicians	4	19.34	0.893	
Pharmacist	6	18.96	1.974	
Nurses	23	19.04	0.896	

Statistical test: 't' test and one way-ANOVA 'f' test was used the above table

¹ Cocheran (1998), "Sample and techniques" Research Methodology, 1st Edition, Liber

The above 't' test table indicates that there is no significant difference between male (n=17) 19.08 ± 0.894 , female (n=33) 18.92 ± 1.942 of the respondents and their overall employer branding. Hence, the calculated value is greater than table value ($p > 0.05$). And the One way ANOVA 'f' test table shows that there is no significant difference between technicians (n=17) 19.23 ± 0.872 , Physicians (n=4) 19.34 ± 0.893 , Pharmacist (n=6) 18.96 ± 1.974 and Nurses (n=23) 19.04 ± 0.896 of the respondents and their overall employer branding. Hence, the calculated value is greater than table value ($p > 0.05$).

Table - 3: Karl Pearson Co-efficient correlation relationship between employer branding and their employee retention

Employer branding	Correlation value	Statistical value
Employee retention	.102	P**<0.01 Significant

The above correlation tested table indicates that there is a highly significant relationship between employer branding and their employee retention. Hence, the calculated value is less than table value ($p^{**} < 0.01$).

FINDINGS

- Majority (66 per cent) of the respondents were female and remaining 34 per cent were male.
- Nearly half (46 per cent) of the respondents were nurses, 34 per cent were technicians, 12 per cent were pharmacist and remaining 8 per cent were physicians.
- There is no significant difference between male (n=17) 19.08 ± 0.894 and female (n=33) 18.92 ± 1.942 of the respondents and their overall employer branding.
- There is no significant difference between technicians (n=17) 19.23 ± 0.872 , physicians (n=4) 19.34 ± 0.893 , pharmacist (n=6) 18.96 ± 1.974 and nurses (n=23) 19.04 ± 0.896 of the respondents and their overall employer branding.
- There is a highly significant relationship between employer branding and their employee retention.

SUGGESTIONS

- For some jobs, it can take months to return value, and for those employees whose turnover is within one year, the employer value yield for opportunity and performance is very small, zero or possibly in deficit.
- Workplaces that offer opportunities for growth also make it easier for employers to attract and retain employee. It is important for modern organizations to be able to retain talents to enable them become efficient and effective.

- MMM Hospital makes use of avail the new technology and becomes a huge impact on corporate image.
- Work environment that is socially rich and psychologically empowering is also needed for organizations to be ahead of competition.
- Employee retention is one of the most important elements of success in any business, and this might be even truer for healthcare.

CONCLUSION

Employees today are choosing to work for reputable organizations. They consider employers who value their employees and treat them fairly. The employee is judicious about the company's employee experience policies and inquires hard about the reality of this experience. Important to an employee is the organisation's employee/employer relationship. Important to the employer, however, is the length of time it takes before the new employee is returning the opportunity and performance value back to the business. There is the need for employers to measure, analyse and position their employer brand to the job market where they will attract the right people with the right skills in the shortest period of time. Improving retention allows to avoid the high cost of replacing employees and also lowers turnover rates, improving the continuity of care for patients and enhancing overall quality. With a consistent and highly competent workforce, they can improve employee engagement within their health system by allowing them to practice more efficiently.

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