



A STUDY TO MEASURE THE RELATIONSHIP BETWEEN EMPLOYER BRANDING AND EMPLOYEE SATISFACTION

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ABSTRACT

Study aims to measure the relationship between employer branding and employee satisfaction in Telecom sector. Researcher also aims to identify the factors of employer branding and employee satisfaction. The study is based on the primary data collected with the help of self-developed questionnaire. The sample size of the study is 400 and the area of the study was limited to five cities of Rajasthan namely; Jaipur, Ajmer, Jodhpur, Bikaner and Udaipur. Respondents of the study are managerial level employees working in the private sector telecom companies namely; Vodafone, Idea, Airtel and Reliance. It was found from the study that there is a positive and significant relationship between employer branding and employee satisfaction. There are five major factors of employer branding in telecom sector namely; Brand value, Performance appraisal, Career growth and job recognition, Working environment and Work life balance. Six factors have been extracted during the study for employer satisfaction in Telecom sector. These factors are namely; Satisfaction with the company, Satisfaction with the department, Satisfaction with the job, Job fit, Employer's mission and values and Peer relationship at job.

KEYWORDS: Employer branding, Employee satisfaction, working environment, Telecom sector, India, Job fit, Career growth and Job recognition.

INTRODUCTION

In the era of globalization, where companies are expanding their business horizon to global boundaries, companies are facing intense competition, operating their business in the dynamic business environment; employer branding is one of the important weapon, which can be used by the companies to compete and for long-term survival in the market. Earlier branding was limited to the marketing of products and services, but now companies have realized the importance of branding in context of human resource also. Employer branding plays an important role in attracting and retaining talented, efficient, and skilled employees. The success mantra of any company is its human resources. In the knowledge based era, both the human capital and physical capital are equally important for the overall performance of the company.

India's telecommunication sector is the second largest telecommunication sector in the world. Indian telecom sector has witnessed a huge growth in the last two decades. Technological changes have made telephone a multipurpose instrument instead of an instrument that can be used only for voice connection. Telecommunication has become a necessity from a luxury. It has become a part of our day-to-day life. We use various means of telecommunication, to stay connected, for entertainment, for education, business purposes, and many other purposes. Telecommunication sector is a service sector, which depends completely on the technology and the human resources for its success. Thus, there is a need to attract and retain the talented human resources by the telecom companies. In the competitive environment, when there are various private and public players in the telecom market, it is difficult for the companies to attract and retain the talented employees. The employer branding process can fill up this need of talented employees. Being a service sector, the quality of the telecom companies depends on the quality of the services provided by its employees. The satisfaction level of employees affects Service quality. Thus, telecom companies need to build employer brand to attract and retain talented employees and then, telecom companies need to increase the satisfaction of employees, in order to improve the service quality. Thus, employer branding and employee satisfaction both can help in improving the overall performance of the telecom companies.

Thus, keeping in view the importance of telecom sector in the economic growth of the country, there is a need to conduct a study which can give some inputs to the telecom companies that what is the impact of employer branding on the employee satisfaction in telecom sector of India, and why they should focus on creating employer brand to attract and retain talented employees and to increase the satisfaction level of employees.

REVIEW OF LITERATURE

Ambler and Barrow developed the concept of employer branding in the year 1990, by using branding techniques in the field of human resources. They argued that branding is not something related to marketing only but it is also related to the human resource of an organization. After that, the concept of employer branding was continuously researched and applied by the companies for attracting talented employees (Barrow and Mosley, 2005). Employer branding is based on the view that human capital of a company is most important and valuable assets. In knowledge-based economy, the success of an organization depends on the quality of human capital (Sharma, 2014). Thus, it becomes a challenge for the companies to attain and retain the talented, skilled and efficient employees in the company. Young generations always look for better opportunities and frequently change their jobs to get promotions and for growth in career (Lodberg, 2011). Employer branding concept is driven by competitive environment and demand for talented employees in the organizations. Companies are using employer branding to differentiate from others, in order to attract the talented employees and to increase the quality of their human capital (Lievens and Highhouse, 2003).

Employer branding is a set of qualities and attributes of an organization, which makes it distinguish from its competitors. These attributes or qualities are intangible in nature and it is a type of appeal to all the best and potential people who can give their best in a particular culture. Employer branding is a promise to the people that the employer will provide a particular employment experience to them (Watson and Reissner, 2010). Mandhanya and Maitri (2010) have defined employer branding as based on the culture of an organization and it is a process of development and communication of culture of the employer in the market. It is a two-way agreement between people and organizations. Employer branding gives the reason to both the employer and the people to work, why people choose an organization to work and why employers choose people to work in their organization.

Spector (1997), employee satisfaction can be defined as the satisfaction of an employee towards his job, and the liking for his job. Locke (1976) explained the concept of employee satisfaction as a positive attitude of employees towards their job, an emotional state that gives pleasures to the employees while doing their job or performing a task.

Employer branding ensures a healthy and employee-friendly culture, policies, rules and regulations in the organization. Employees feel satisfied with the economically, psychologically and with the functioning of the organization. Employees feel proud in working with the organizations, and also feel happy in promoting their companies to others. Thus, employer branding helps in increasing the employee satisfaction (Beardwell and Claydon, 2010).

OBJECTIVES

The study aims to measure the following objectives:

1. To identify the factors of employer branding in telecom sector.
2. To identify the factors of employee satisfaction in telecom sector.
3. To measure the relationship between employer branding and employee satisfaction.

RESEARCH METHODOLOGY

Current study is purely based on the primary data collected from the 400 managerial level employees of the telecom companies. The area of the study is Rajasthan and the cities which were surveyed in the current study are namely; Jaipur, Ajmer, Jodhpur, Bikaner and Udaipur. Researcher has developed a questionnaire to collect the primary data from the respondents of the study. Questionnaire consists total 36 statements out of that 15 statements were framed to measure the employer branding while rest of the 21 statements were framed to measure the employee satisfaction. Responses have been recorded using five point Likert scale. Data has been analyzed using factor analysis, descriptive analysis and correlation analysis with the help of SPSS 20.0 software. Following hypothesis has been framed and tested during the study:

H_{01} : There is no significant relationship between employer branding and employee satisfaction.

DATA ANALYSIS AND ITS INTERPRETATION

This section deals with the analysis of primary data, which has been divided into three parts. First part consist the factors of employer branding second part consist the factors of employee satisfaction and third part depicts the relationship between employer branding and employee satisfaction. The questionnaire used in the study is self-developed by researcher thus it is important to measure the reliability of the questionnaire. Cronbach Alpha has been measured to check the reliability of the questionnaire. The results of the reliability analysis have been given in table 1 in detail.

Table 1: Reliability Analysis

Description	Number of Statements	Cronbach Alpha	Remarks
Whole Questionnaire	36	0.883	Good
Part A (Employer Branding)	15	0.742	Acceptable
Part B (Employee Satisfaction)	21	0.871	Good

It can be interpreted from the table 1 that the questionnaire is reliable as the value of Cronbach alpha for complete questionnaire is found to be 0.883, which is above 0.70 and acceptable value. Cronbach alpha for part A is found to be 0.742 and for part B is 0.871. Thus, it can be said that

both the parts of questionnaire separately found to be reliable and it can be used for further data analysis.

In order to identify the factors of employer branding, researcher has used the factor analysis using Principal component analysis with Varimax rotation method. The value of KMO and Bartlett test is found to be 0.681 at a p value of 0.000. Thus, it can be said that data is adequate for using factor analysis. All the factors extracted using factor analysis along with their factor loadings have been given in table 2 in detail.

Table 2: Factors of Employer Branding

S. NO.		Component					Factors
		1	2	3	4	5	
1	Brand Value	.519					Brand value
2	Remuneration	.813					
3	Reference For Next Job	.672					
4	Job Security	.655					
5	Preference For Branded Organization				.512		Career growth and recognition
6	Career Opportunities				.585		
7	Recognition Of Work					.819	Performance appraisal
8	Performance Appraisal					.819	
9	HR Policies			.766			
10	Training And Development Activities			-.564			Working environment
11	Supervisory Interference			.777			
12	Challenging Role Offered		.679				Work life balance
13	Dream Organization To Work		.807				
14	Work Life Balance		.527				
15	Well Defined Policies		.660				

It can be interpreted from table 2 that there are five factors of employer branding namely; brand value, career growth & job recognition, working environment, performance appraisal and work life balance. Total variation in the value of employer branding explained by these five factors are 60 percent while unexplained variance is 40 percent.

In order to identify the factors of employer satisfaction, researcher has used the factor analysis using Principal component analysis with Varimax rotation method. The value of KMO and bartlet test is found to be 0.716 at a p value of 0.000. Thus, it can be said that data is adequate for using factor analysis. All the factors extracted using factor analysis along with their factor loadings have been given in table 3 in detail.

Table 3: Factors of Employer Satisfaction

S. NO.	Items	Component						Construct
		1	2	3	4	5	6	
1	Company Sponsorship				0.605			Job fit
2	Job Alignment				0.782			
3	Satisfaction With Company	0.698						Satisfaction with the company
4	Clearing Roles	0.541						
5	Broad Outlook	0.829						
6	Optimistic View Of Employees	0.755						
7	Reward System	0.737						
8	Compensation Matches With Responsibilities	0.603						
9	Work Recognition	0.492						
10	Learning Opportunity	0.589						
11	Satisfaction With Job And Life	0.632						
12	Reference To Friends	0.735						
13	Communication			0.640				Satisfaction with the department
14	Problem Solving			0.491				

15	Improving Services			0.799				
16	Satisfaction With Department			0.548				
17	Satisfaction With Job		0.817					Satisfaction with the job
18	Decision Making Ability					0.433		Relationship with peers
19	Peer Relationship					0.649		
20	Company Mission						0.711	Employer's mission and values
21	Understanding Of Mission						0.767	

It can be interpreted from Table 3 that there are six factors of employer satisfaction namely; job fit, satisfaction with the company, satisfaction with the department, satisfaction with the job, relationship with the peers and employer’s mission and values. Total variation in the value of employer satisfaction explained by these six factors is 68 percent while unexplained variance is 32 percent.

Table 4 shows the relationship between Employer branding and employee satisfaction. Relationship between five factors of employer branding and six factors of employee satisfaction in telecom companies have been measured using correlation analysis.

Table 4: Correlation Analysis

Spearman's rho		Satisfaction with the company	Satisfaction with the department	Satisfaction with job	Job fit	Employer's mission and values	Peer relationship at job
Work and life balance	R Value	0.064	0.040	-0.112	-0.038	0.109**	0.285*
Company's brand value	R Value	0.423*	0.223*	0.283*	-0.028	0.251*	0.154*
Working environment	R Value	0.409*	0.318*	0.137*	0.028	0.052	0.181*
Performance appraisal	R Value	0.196*	0.333*	0.308*	0.044	0.171*	0.253*
Career growth and job recognition	R Value	0.016	0.110**	-0.151*	-0.057	0.185*	0.209*

It can be interpreted from the table 4 that Work life balance has positive and significant relationship with the factors of employee satisfaction namely; Employer's mission and values and Peer relationship at job, while it is negatively but insignificantly related to the factor Satisfaction with the job and job fit. It is found to be positively but insignificantly related to the factors namely; satisfaction with the company and satisfaction with the department.

Second factor of employer branding which is Company's Brand Value, is positively and significantly related to the factors of employee satisfaction namely; satisfaction with job, satisfaction with the department, satisfaction with company, Employer's mission and values and Peer relationship at job. It is found to be negatively but insignificantly related to the factor job fit.

Working Environment, the third factor of employer branding is positively and significantly related to the factors of employee satisfaction namely; satisfaction with job, satisfaction with the department, satisfaction with company, and Peer relationship at job. It is found to be positively but insignificantly related to the factors namely; Employer's mission and values and job fit.

Performance Appraisal, the fourth factor of employer branding is positively and significantly related to the factors of employee satisfaction namely; satisfaction with job, satisfaction with the department, satisfaction with company, Employer's mission and values and Peer relationship at job. It is found to be positively but insignificantly related to the factor job fit.

Fifth factor of employer branding i.e. Career growth and job recognition is positively and significantly related to the factors of employee satisfaction namely; Satisfaction with the department, Employer's mission and values and Peer relationship at job, while it is negatively but insignificantly related to the factor Satisfaction with the factor job fit. It is negatively but significantly related to the factor Satisfaction with job and positively and but insignificantly related to the factor Satisfaction with company.

Thus, null hypothesis, which states that there is no relationship between employer branding and employee satisfaction tends to be rejected, and it can be said that there is a positive and significant relationship between employer branding and employee satisfaction in Telecom sector.

CONCLUSION

It can be concluded from the study that there are five major factors of employer branding in telecom sector namely; Brand value, Performance appraisal, Career growth and job recognition, Working environment and Work life balance. Six factors have been extracted during the study for employer satisfaction in Telecom sector. These factors are namely; Satisfaction with the company, Satisfaction with the department, Satisfaction with the job, Job fit, Employer's mission and values and Peer relationship at job. It was also found from the study that employer branding and

employer satisfaction are positively and significantly related to each other. The higher value of employer brand leads to high level of employee satisfaction in Telecom sector. The study is useful from the point of view of Telecom companies' operators as it shows that increasing the brand value of the company as an employer can increase the level of employee satisfaction. Telecom companies with high brand value will be able to attract talented employees and can retain the employees for long-term period in the organization. Thus, it is very important for the telecom companies to understand the relationship between employee satisfaction and employer branding.

LIMITATIONS AND FUTURE SCOPE OF THE STUDY

Current study is based on the primary data and responses of the respondents suffer from human judgment and knowledge about the subject. The sample size of the study is 400, which is of course very small in comparison to the population. The area of the study is Rajasthan, thus same study can be extended to all over India. Future research can be conducted to make a comparative study of employer brand value of different telecom companies. The impact of geographic area and attributes of the company such as; company size, company assets, number of branches etc. can be measured on employer brand value.

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