

Importance of employer branding concepts



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Terms of references

This report highlights the rising awareness for the development of Employer Branding concept and its benefits for the organisations in present competitive labour market. The conflict between effective employer branding and employees' rights and satisfaction toward organization has been examined in this report with specific focus on the unethical and controlling effect.

Introduction

Employer branding is the perception of employees' about an organization as a place to work. It's designed for motivating and securing employee's alignment with the vision and values of the organizations. From the HR perspective the concept was subsumed the older term INTERNAL BRANDING that was essentially the process of communicating an organization's brand value to its employee.

Employer branding

The concept of EMPLOYER BRANDING was created in the 1990s by Simon Barrow, who founded People in Business (now part of TMP Worldwide) and was the co-author of The Employer Brand. ¹ In the past, Barrow had been a consumer goods brand manager and headed up an advertising agency in London, but later became the chief executive of a recruitment agency. He was immediately struck by the similarities between the challenges faced in promoting consumer goods and in publicising the strengths of an organisation's employee proposition. Both, he recognised, required a strong brand, and so the concept of employer branding was conceived.

Barrow defined the employer brand as ‘ the package of functional, economic and psychological benefits provided by employment and identified with the employing company’.

Sullivan (2004) defines employer branding as “ a targeted, long-term strategy to manage the awareness and perceptions of employees, potential employees, and related stakeholders with regards to a particular firm.”

Ambler and Barrow (1996) define employer brand in terms of the benefits it conveys on employees. In other words, the employer brand represents the array of economic, functional and psychological benefits that an employee might receive because of joining an organization. Just as product brands convey an image to customers, an employer brand conveys an organizational image to potential and current employees. In that regard, the employer brand presents a “ value proposition” about what people might receive as a result of working for a particular employer (Backhaus and Tikoo, 2004).

These definitions indicate that employer branding means promoting and building an identity and a clear view of what makes an organization different and desirable as an employer. It has similarities with product and corporate branding but the key difference is its’ more employment specific.

Recruitment and employer branding

Developing an employer brand is a combination of adopting vision, values, and behaviours, and delivering a service that shows commitment to best practice and service excellence. It begins with the recruitment process that offers number of tools that can be used to create perceptions of an employing organization, these tools are:

1. Job advertisement and description
2. Interview process
3. Offer letters
4. Information pack for new recruiters
5. Employee handbooks
6. Induction and training.

The recruitment process is an important way to build a positive relationship between the organization and employee. Throughout the procedure, the organization can create a strong and positive view about them; even it can be extended to unsuccessful candidates as well.

When employees have accepted the sincerity and accuracy of the employer brand, they will carry it forward, actively promoting the brand to colleagues and customers. However, employer branding which is basically untruthful will not work and is likely to be counter-productive.

Benefits of Employer Branding

- Long-term impact: Successful employer brand can have positive impacts on recruiting for at least five years barring any major PR issues surrounding the company.
- Increased volume of spontaneous candidates: The number of applicants will increase each year. In some cases, applications will increase by 500%.
- Higher quality candidates: Not only the quantity but the quality of candidates will improve dramatically, individuals who never would have considered in the past will start applying.

- Higher offer-acceptance rates: As employment image becomes better known and more powerful, firm's offer acceptance rates will improve dramatically.
- Increased employee motivation: Employee motivation will be easier to maintain because of employees' increased pride in the firm and the better management practices that are required to maintain an employer-of-choice status.
- A stronger corporate culture: Because one of the goals of employment branding is to develop a consistent message about what it's like to work and what it feel to be a part of the organization, employment branding can help strengthen firm's corporate culture.
- Decreased corporate negatives: Effective branding programs identify and counter negative comments about the organisation.
- Increased manager satisfaction: The resulting higher quality of candidates and higher offer-acceptance rate means that hiring managers will have to devote less time to interviews, and they will be more satisfied with the recruiting function.
- A competitive advantage: Because employment branding efforts include extensive metrics and side-by-side comparisons with talent competitors, firm's can ensure that their talent-management approaches are differentiated and continually superior.
- Increased shareholder value: The effective and improved employer image can positively impact a firm's stock price.
- Support for the product brand: An employment brand can support the corporate brand and related product brands because many consumers mentally make the link between attracting quality employees and

producing a quality product. The brand essence should summarize what the brand stands for, becoming the nucleus for product development, all communications and even HR initiatives for employees. Its definition should also be consistent with the corporate vision/mission and values.

- For example, Volvo is a good example of a brand description is Volvo – “ Style, driving pleasure and superior ownership experience while celebrating human values and respecting the environment.” Volvo’s values and associations reflecting this brand identity are what are considered to be typically Scandinavian – e. g. “ nature, security and health, human values, elegant simplicity, creative engineering and the spirit of stylish/innovative functionality”.
- For Volvo, this description not only mirrors the psycho-graphic profile of the ideal customer for their cars, but also summarizes what Volvo as a company means to all its workers — its employer brand. These are intrinsic values that Volvo workers can relate to, what they believe in and why they feel comfortable making a commitment to their jobs. One can easily visualize the types of HR programs that would inspire a sense of pride and re-enforce these intangibles – e. g. nature, health, security and other meaningful human values.

‘ Living the brand’

LIVING THE BRAND is identifying with an organizations brand value to such an extent that employees’ behaviours fit exactly to the image that the business is trying to portray to its customers (Alan Price 2007). The alignment between employees’ behaviour and value of organization’s brand image is very important. It is suggested that organisations need to ensure

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that there is no gap between what the organisation is saying in the outside world and what people believe inside the business. The employees should be perceived as Brand ambassador and brand marketing would only be successful if they LIVE THE BRAND.

From this perspective:

1. Organizations have encouraged employees to “ buy in” to the business vision and values.
2. They have to ensure that everyone in the organization clearly understand the purpose of the common set of values.

According to Ind (2004), the themes discussed are likely to be of interest to HR and marketing practitioners as well as those involved in internal communications within organisations. Employees themselves are expected to internalise features and aspects of the organisation’s brand to ensure that they become brand champions, thus helping to represent to organisation’s brand to the outside customers. Such an approach immediately raises some interesting problems relating to equality and diversity as it expects each employee to share a particular set of values and act in accordance with these values.

The employee branding approach being recommended by Ind raises a number of challenges for those interested in an equality and diversity agenda. An organisation that aims to ensure that employees are living the brand will specifically aim to attract and recruit employees who already share the values of the corporate brand. Furthermore, those already employed within the organisation will be encouraged to internalise the values of the organisation. Clearly, there are problems for encouraging

diversity here, with one of the principles of diversity management being an acceptance and recognition that people are different and individual differences (especially of values) should be welcomed. Inherently, a living the brand focus is likely to go against such a principle. Ind makes the point that encouraging employee identification and commitment to the organisation's brand values might deny an expression of individuality. However, Ind suggests that internal branding combined with allowing employees to be empowered will enable freedom with order.

Denial of individuality (dress code policy)

When it comes to “ professional image”, many employers are realising that Standards of dress and personal presentation are essential thus having a policy on dress code can be important.

Where the employees meet customers, they act as the shop window for the company and the benefits of presentable appearance are obvious. However, even where the employee's work is internal, there are less tangible benefits such as:

Creating a team atmosphere,

Engendering standards of professionalism, and

Creating a corporate image.

As employers are realising this, they are paying more attention to the appearance of their employees and the image and perception of the business – dress, grooming and personal hygiene are all part and parcel of this.

However, the issue of work place dress codes can be highly controversial. It is vital that employers are aware of the discrimination issues that dress codes can create.

Issues with work place dress codes

In organisations with uniforms, the issues can be more wide ranging. For instance, at the Greater Manchester Police Force, bureaucracy and unwillingness to accept change has hampered the introduction of hijabs for Muslim women.

At Inchcape Fleet Solutions – where all 140 non-senior staffs are provided with polo shirts or blouses branded with the company logo – the style of the uniform does not suit all staff and most “ do not like wearing it”. This would affect their moods at work and consequently affect their performance.

Complaints of discrimination

Furthermore, a complaint was raised informally by the staff forum of child trust fund provider Family Investments and relates to the fact that women can wear trousers that are not full length, while men cannot. Employees have requested that the company allows shorts to be worn, as long as they are below the knee

Also, in September 2006, a British Airways worker has been suspended and attended an appeal over wearing a cross at work at Heathrow Airport. She claims the suspension is discriminatory, especially since the airline allows Sikh employees to wear traditional iron bangles and Muslim workers to wear headscarves. BA has said it will review its uniform policy in light of the media storm the story has provoked.

Employer branding and discrimination law

There are three areas of discrimination relevant to dress code policy:

1. Sex Discrimination Act 1975
2. Religious or Belief Regulations 2003
3. Disability Discrimination Act 1995.

Sex discrimination and dress codes

There is the obvious potential for sex discrimination in any dress code, which sets different requirements for men and women. Past claims have challenged policies that:

women must wear skirts

men should not have long hair

Men must wear a collar and tie.

The case of Matthew Thompson who objected to the dress code imposed by the Department for Work & Pensions at his place of work, a job centre in Stockport, can also be a good example. Mr Thompson claimed that the dress code discriminated against male employees as they were forced to wear a collar and tie whereas female employees could wear T-shirts to work. The Employment Tribunal found in favour of Mr Thompson stating that the dress code was discriminatory as the requirement to wear a collar and tie was gender based and there were no items of clothing that were imposed on women in the same office.

From the Thompson case, it became clear that employers should be careful in the way that they draft their dress codes. Employers are not prevented from imposing dress codes that require employees to wear specified items of

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clothing as long as the code is drafted in such a way as to be even-handed between men and women.

For example, jobs in the City, the current convention is for both men and women to wear suits. The convention is that a man should wear a tie with a suit but the same does not apply to a woman. A dress code requiring a “smart suit” could apply to both sexes but be enforced in a non-discriminatory manner appropriate for each sex.

Religion/belief discrimination and dress codes

A dress code that requires employees to act in a way contrary to their religious beliefs, risks being indirectly discriminatory. Thus, a dress code forbidding headgear will be discriminatory to male Sikhs, who must wear a turban.

The best way to avoid these problems is to be as non-specific as possible. A widely worded dress code requiring smart appearance, with non-binding examples of suitable dress, cannot fall foul of specific clothing-related beliefs.

To cross-check your dress code against the main religions’ clothing beliefs, refer to Acas’ Guide on Religion and Belief which has a useful chart at Appendix 2 (pages 40-50).

It may be possible for employers to objectively justify a dress code contrary to any of these beliefs, if it can be done so objectively. For example, employees at a chocolate factory were successfully prohibited from having beards for health and safety reasons. However, employers should be very wary of relying on objective justification as the courts are reluctant to accept it.

There may be a question mark in some cases whether a person's views are beliefs. According to Acas, Rastafarianism (which requires the wearing of a hat) is a belief system. Certain political beliefs or powerful sentiments such as patriotism (the wearing of an American flag badge) may or may not be regarded as beliefs. Employers should respect beliefs that are strongly held whether or not they are religious in nature.

Disability discrimination and dress codes

Disabled employees may not be able to comply with a dress code, for example, an employee with a neck injury unable to wear a tie. However, by and large, this need not affect the way the code is drafted; instead, employers should be sensitive in the enforcement of the dress code.

In summary, employers should be quite a bit flexible when writing a policy on employee dress or appearance. Reasonable flexibility and sensitivity to the employees' racial differences should be allowed in the dress code to make employees comfortable and any conflict and law suits, while meeting the Trust standard of Dress code.

This view is echoed by organisations such as Broker Network, which believes that employees should be able to make their own judgments on what is best to wear.

Many companies are now turning their backs on the concept of 'dress-down Fridays', opting instead to ditch smart business-wear every day of the week. A survey of 560 organisations has found that four out of five employers believe a more relaxed dress code leads to greater productivity. Nine out of 10 organisations that replied to the poll by the Peninsula employment law consultancy had declared ties an unnecessary part of their dress code.

Conclusion

The issues discussed above create a challenge for HR professionals involved in employee focused branding projects, especially those where employees are expected to share a specific set of values. That is that such initiatives will undoubtedly create a tension and potentially conflict with principles underlying an equality and diversity agenda. Ind's suggestion that inside-out branding allows freedom and order remains unconvincing even when the employees are involved in constructing the brand values. An organisation that dictates a set of values for employees to internalise is still a homogenising force. Organisation's that genuinely take diversity programmes seriously will have to tackle this tension. One possible way out of this conundrum is to include equality and diversity awareness as a key value included in the internal brand proposition.

Recommendations

Any guidelines should be carefully drafted, and employers are advised to treat any requests to dress contrary to the company code for religious or racial reasons with respect.

Employers should consult the employee in question and discuss how to accommodate reasonable requests, and try to find a favourable solution. A tribunal will be more likely to be sympathetic to the employer where a policy is required for health and safety purposes, rather than simply to maintain a corporate image.

Decide what restrictions on employees' appearance are necessary and why. For example, teachers are expected to wear sensible footwear, suitable for the activities their job involves. Restrictions should not be excessive or

unreasonable, for instance insisting on suits or ties in the office when employees are not customer-facing.

Set out the guidelines clearly, and include the rationale behind any restrictions.

Explain why restrictions may be placed on some employees but not others (for example, no body piercing for those operating heavy machinery for health and safety purposes, and those working within a café of a supermarket may have stricter codes enforced on them than those who work in the same store, but don't come into direct contact with food).

Give employees notice of when the policy will come into force.

Allow employees a grace period before disciplining for non-compliance.

Explain what will happen if employees are found to be in persistent breach of the policy (disciplinary action and, potentially, dismissal).

Give the name of an individual that employees can talk to if they feel they cannot comply with the policy.

Current legislation on issues that could lead to discrimination should be reviewed from time to time, and staff handbook should be read by employment lawyers to ensure compliance. Guidelines should also be updated to accommodate the legislation.

Base the policy on business-related reasons. Explain your reasons in the policy so employees understand the rationale behind the restrictions.

Common business-related reasons include maintaining the organization's public image, promoting a productive work environment, or complying with health and safety standards.

Require employees to have an appropriate, well-groomed appearance. Even

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casual dress policies should specify what clothing is inappropriate (such as sweat suits, shorts, and jeans) and any special requirements for employees who deal with the public.

Communicate the policy. Use employee handbooks or memos to alert employees to the new policy, any revisions, and the penalties for noncompliance. In addition, explain the policy to job candidates.

Apply the dress code policy uniformly to all employees. This can prevent claims that the policy adversely affects women or minorities. However, you may have to make exceptions if required by law. (See next suggestion.)

Make reasonable accommodation when the situation requires an exception. Be prepared to accommodate requests for religious practices and disabilities, such as head coverings and facial hair. Apply consistent discipline for dress code violations. When disciplining violators, point out why their attire does not comply with the code and what they can do to comply

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