

## **CHAPTER -1**

### **INTRODUCTION**

Employer brand represents a unique value proposition about what individuals might receive as a result of working for a particular employer. This proposition, if delivered as promised, also contributes to a firm's positive reputation as a workplace. However, much of the literature on employer brand focuses on the attractiveness of an organization in the eyes of potential employees.

The importance of engaging existing employees and influencing their commitment to advance organizational objectives can be argued as an equally critical purpose of employer brand. In HR practices, the role of HR Department plays a vital role now a days in applying employer brand management to the employee experience is a more recent focus and may be considered under explored.

Building organizational commitment and influencing workplace behaviours that drive employee engagement and high performance are often addressed by the learning and development function in a firm. Using a cross-case comparison method, this qualitative research study examined how learning and development activities are leveraged in firms with strong workplace reputations to fulfill the employer brand expectations of both individuals and companies in the employee phase of the employment lifecycle.

Three significant roles for the learning and development function emerged from the data in this study. First, learning and development stimulates engagement by providing promised opportunities for professional development and career growth. This study is emphasizing on Role of HR in Employer branding in public and private sectors. This study focuses on new avenues regarding Role of HR in engaging people, learning and development as a business partner. This study also reveals importance of HR branding to engage employees.

## **1.1 OBJECTIVES OF THE STUDY:**

### **Primary objective:**

- To study on employer branding at Innoppl Technologies Pvt.Ltd.

### **Secondary objective:**

- To identify the perception of employees towards Employer branding.
- To identify the ways to develop Employer branding.
- To identify the attributes which makes an employee feel that a company is a Branded company.

## **1.2 NEED OF THE STUDY:**

There are various ways in which an organisation can brand itself. Many of the times organisations do resort to a few of these unknowingly as well. This is because almost all the activities that an organisation carries out have an impact on the perceptions people has about it.

While analyzing this purpose it was important to know the features and steps of employer branding.

How it was implemented, what were the initiatives taken for employer branding in Innoppl. The benefits of employer branding, what changes are brought and why Innoppl should continue with employer branding.

### **1.3 Scope of the Study:**

There are various ways in which an organisation can brand itself. Many of the times organisations do resort to a few of these unknowingly as well. This is because almost all the activities that an organisation carries out have an impact on the perceptions people have about it. While analyzing this purpose it was important to know the features and steps of employer branding. How it was implemented, what were the initiatives taken for employer branding in Innoppl. The benefits of employer branding, what changes are brought and why Innoppl should continue with employer branding.

#### **1.4 LIMITATIONS OF THE STUDY:**

- Time period is very short
- As the employee where busy with their meet and work
- Mistake in manipulation
- The workers, they may not have clear answer and idea while they answer the questions.
- The study was on 50 selected employees, so their need not be the universal opinion.

## **CHAPTER – 2**

### **REVIEW OF LITERATURE**

#### **INTRODUCTION**

An employer brand is a collection of ideas and beliefs that influence the way current and potential employees view an organization and the employment experience that organization is offering. It communicates the company's culture and values and helps to ensure employees are passionate about, and fit in with, the organizational culture to help move the company forward. Anything an organization does will influence how people view its employer brand, the employment experience that it is offering. Anywhere from the way that jobs are designed, the way that tasks and activities are allocated, the way that managers and supervisors deal with and communicate with their people, through to the way their product or service brand is actually perceived by the wider market, and the way their friends or families see the organisation they are working with. Therefore, the corporate brand supports and enhances the employer brand.

For an employer brand to be successful, it needs to incorporate more than just an enhancement of recruitment communications or improved internal communications. It should focus on the entire employment experience, organizational personality, goals and values and reflect a true understanding of what motivates current employees and the candidate market. It is really a case of most organizations not recognizing the fact that a whole range of activity - from the way they communicate externally to the way they communicate internally to the way they behave internally in developing an organizational culture - actually does result in brand perceptions. There is a keen awareness in today's marketplace that talented individuals have more career choice than ever before, and that finance professionals are demanding more career progression, greater salary advancement, excitement and new challenges, and will hold their employers to account on promises and commitment.

#### **EMPLOYER BRANDING**

Employer branding<sup>\*</sup> is an emerging discipline with its roots in classical marketing and HR principles. Its aim is to develop an image of the organization as an

,employer of choice' in the minds of existing and potential employees, as well as other stakeholders including customers and recruiters. The objective is not only to offer these tangible benefits, but to also develop an emotional link with them. A strong employer brand should connect an organization's values, people strategy and HR policies and be linked to the company brand. The employer branding is modern HR topic. It started in late 90s of the last century.

The companies started the war for talents, and they had to engage talents on the job market. The organizations needed to hunt talents employed at competitors. The employer branding became a significant part of the war of talents. The employer branding is focused on building the brand name of the employer on the job market. It is focused on developing the positive relationship with employees and target groups on the job market (potential pools of candidates for the future job vacancies). The employer branding is the essential part of the recruitment and staffing area and consumes a significant proportion of the HR budget. The employer branding is about the communication of the expectations and benefits provided for meeting the expectations. Many organizations focus on the communication of the quick career path; many organizations focus on the communication of the friendly and fair internal environment.

The organizations build the competitive advantage using their corporate cultures. They build the competitive difference in human capital management and development. The employer branding is not just the recruitment activity. It is mainly driven by the recruitment function, but it incorporates different HR Processes to build a complex picture of the organization as a preferred employer on the job market. Brands are among firms' most valuable assets and as a result brand management is a key activity in many firms. Most often the focus has been towards corporate branding, but now firms have noticed that branding can be also used in the area of human resources management (Backhaus & Tikoo, 2004). Simon Barrow and Richard Mosley who are seen as the pioneers of Employer Branding have published one of the very few books discussing Employer Branding named The Employer Brand (2004). In their book they argue that while many employers have noticed the benefit of valuing their employees as they value their customers, There is lack of standard practice when it comes to Employer Branding planning (Barrow & Mosley, 2005). To find out, in later parts of

this research, what the position (i.e. Practice) of Employer Branding in Finnish companies is, the fundamentals of Employer Branding are first studied.

### DEFINITIONS OF EMPLOYER BRANDING

Sartain and Schumann (2006) defined employer brand as: "how a business builds and packages its identity, from its origins and values, what it promises to deliver to emotionally connect employees so that they in turn deliver what a business promises to customers." It is supported by the resource-based view proposed by Barney (1991), that possession of resources that are rare, valuable, non-substitutable and difficult to imitate create competitive advantage for the company. Through the creation of a valuable employer brand, employers might attain competitive advantage. To build the employer brand, an organization must work from the inside out, with a consistent substance, voice, and authenticity throughout the employment relationship. Sartain and Schumann believe that the employer branding may be the most powerful tool a business can use to emotionally engage employees.

In 2009, Sartain and Schumann expanded their discussion of employer branding to include branding for talent. To brand for talent is to market an organization as a place to work to create demand—as a magnet for talent—to attract, retain, and engage the right people to do the right work at the right time with the right results. The impact is a company as famous for talent and for its products and services. There is ample evidence that employer branding and employee engagement, when linked, can have significant efficiency and commercial impact — Gallup and others provide rafts of data on the impact on Earnings Per Share, Total Shareholder Return, Employee Retention, etc. According to the Wall Street Journal (March 23, 2009) ,Companies have long divided consumers into segments. They should do the same with potential—and current workers.'Ms. Lara Maroko and Dr. Mark D. Uncles recommend that employers use the same tools and techniques employed to market to segments of consumers to reach out to potential and current workers. They argue that it is more profitable to treat certain groups of workers and potential workers differently based on a segmented marketing approach. The academics reference research that suggests that There are five ways to think about consumer differentiation: potential profitability, product feature preferences, reference groups, bargaining power, and choice barriers. Schumann and Sartain in ,Brand for Talent' state that segmentation is at the core of any effective



marketing program. The talent brand can move beyond generic messaging to express what will truly make the difference to a worker. For some, the brand may instigate a choice and for others reinforce a choice. But segmentation doesn't mean creating a separate talent brand for each segment. It simply means adapting the talent brand message for each segment based on insight into audience needs and preferences. Chapter four outlines a methodology of segmenting talent by assessing demand for the worker against brand pressure. Brett Minchington (2005) defines employer branding as ,the image of your organization as a 'great place to work' in the mind of current employees and key stakeholders in the external market (active and passive candidates, clients, customers and other key stakeholders). 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.

" The Employer Brand Experience An employer brand is the full physical, intellectual, and emotional experience of people who work There, and the anticipated experience of candidates who might work There. It is both the vision and the reality of what it means to be employed There. It is both the promise and the fulfilment of that promise. The employer brand radiating out of our organization's name inspires loyalty, productivity, and a sense of pride. Below some of the existing definitions of Employer Branding are presented to formulate a scope of the existing knowledge of the field. Backhaus & Tikoo (2004, p. 501) finds that ,Employer Branding represents a firm's efforts to promote, both within and outside the firm, a clear view of what makes it different and desirable as an employer'. This definition sees that these two different elements, internal and external branding, are under the top block of the pyramid, Employer Branding. Chhrabra and Mishra (2008, 57) have defined Employer Branding in the following way: Employer Branding is the process of creating an identity and managing the company's image in its role as an employer. An organization brand lives in the minds of its customers –its employees. The customers may have positive or negative association with the brand. Berthon et al. (2005, p. 151) see Employer Branding or employer attractiveness as a component under internal marketing which specifies that an organization's employees are its first market. Further on they define that ,employer attractiveness is defined as the envisioned benefits that a potential employee sees in working for a specific organization. Davies (2008, p. 667) defined

Employer Branding shortly as follows: ,employee or Employer Brand, i.e. The set of distinctive associations made by employees (actual or potential) with the corporate name'. Stating ,actual or potential' in the brackets suggests that Davies sees internal and external marketing both gaining from branding and due to that as a tip of the pyramid. This definition relates closely to Backhaus & Tikoo's (2004) definition above. Gaddam (2008, p. 49) argues that Employer Branding is a ,concept where the demand is for skills and competence' and continues ,by creating brand images, employers are struggling to differentiate themselves in both internal and external environment'.

The main message here is also that Employer Branding is about branding a company to current and potential employees. Of these four definitions it can be seen that despite the early maturity of the Employer Brand as a term, it is still rather homogenous by the way how it is defined. The only definition that has a slightly different approach was from Berthon et al. (2005) where they first separate internal and external markets and then place Employer Branding under internal marketing. Later on, Berthon et al. (2005) argue that Employer Branding is also about ,benefits that a potential employee sees in working for a specific organization' which brings their vision of Employer Branding to the same scope as the other definitions. By following the main stream of the definitions above, the scope of Employer Branding is divided as can be seen in Figure below.

### **THEORETICAL FOUNDATION FOR EMPLOYER BRANDING**

Because employer branding has received much attention in practitioner venues, but little in the academic arena, the underlying theoretical foundation for employer branding has not been fully developed. In the next section, we propose a theoretical foundation for employer branding, along with a framework for explicating the process. The practice of employer branding is predicated on the assumption that human capital brings value to the firm, and through skilful investment in human capital, firm performance can be enhanced. Resource-based view (RBV) supports this, suggesting that characteristics of a firm's resources can contribute to sustainable competitive advantage (Barney, 1991). Arguably, the possession of resources that are rare, valuable, non-substitutable and difficult to imitate allow a firm to move ahead of its competitors (Barney, 1991). While we commonly think of plant, equipment and capital as resources that create competitive advantage, human capital has also been shown to operate as an

important resource creating competitive advantage (Priem and Butler, 2001). For example, a state-of-the-art facility and technology can create competitive advantage only when there is a highly competent workforce to utilize them (Boxall, 1998). External marketing of the employer brand establishes the firm as an employer of choice and thereby enables it to attract the best possible workers. The assumption is that the distinctiveness of the brand allows the firm to acquire distinctive human capital.

Further, once recruits have been attracted by the brand, they develop a set of assumptions about employment with the firm that they will carry into the firm, thereby supporting the firm's values and enhancing their commitment to the firm. Internal marketing helps create a workforce that is hard for other firms to imitate. By systematically exposing workers to the value proposition of the employer brand, the workplace culture is moulded around the corporate goals, enabling the firm to achieve a unique culture focused on doing business the firm's way. Southwest Airlines is the textbook case of how a firm created an outstanding workplace culture that competitors have found difficult to imitate (Stamler, 2001). This distinctive, even unique workforce, however, can be a source of competitive advantage only if it is stable. If the source of competitive advantage is not sustainable, neither is the advantage (Barney, 1991). Besides helping create a workforce that is hard to duplicate, internal marketing also contributes to employee retention (Ambler and Barrow, 1996) by using the brand to reinforce the concept of quality employment and thereby contributing to employee willingness to stay with the organization.

The theory of the psychological contract and its effect on the employee organizational relationship provides a second foundation for employer branding. In the traditional concept of the psychological contract between workers and employers, workers promised loyalty to the firm in exchange for job security (Hendry and Jenkins, 1997). However, the recent trend toward downsizing, outsourcing, and flexibility on the part of the employer has imposed a new form of psychological contract, in which employers provide workers with marketable skills through training and development in exchange for effort and flexibility (Baruch, 2004). In the face of negative perceptions of this new employment reality, firms use employer branding to advertise the benefits they still offer, including training, career opportunities, personal growth and development. In general, firms have been perceived to fail to deliver some of these offerings (Newell and Dopson, 1996; Hendry and Jenkins, 1997) so employer branding campaigns can be

designed to change perceptions of the firm. The concept of brand equity provides a complementary theoretical perspective for understanding employer branding. In marketing terms, brand equity is ,a set of brand assets and liabilities linked to a brand that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers' (Aaker, 1991). Customer based brand equity relates to the effect of brand knowledge on consumer response to the marketing of the product (Keller, 1993). In terms of employer branding, brand equity applies to the effect of brand knowledge on potential and existing employees of the firm.

Employer brand equity propels potential applicants to apply. Further, employer brand equity should encourage existing employees to stay with, and support the company. 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. Pret A Manger, a specialty fast food company based in the UK, conducted a campaign that has yielded strong employer brand equity. The company combined its product brand appeal with its employer brand package to emphasize the concept of ,passion' for food, for customers, and employees. Pret a Manger's campaign has significantly impacted the number of applications it received, as well as its retention rate (O'Halloran, 2003). Employer branding: conceptual framework Figure 1 presents a conceptual framework for understanding employer branding, incorporating marketing and human resource concepts.

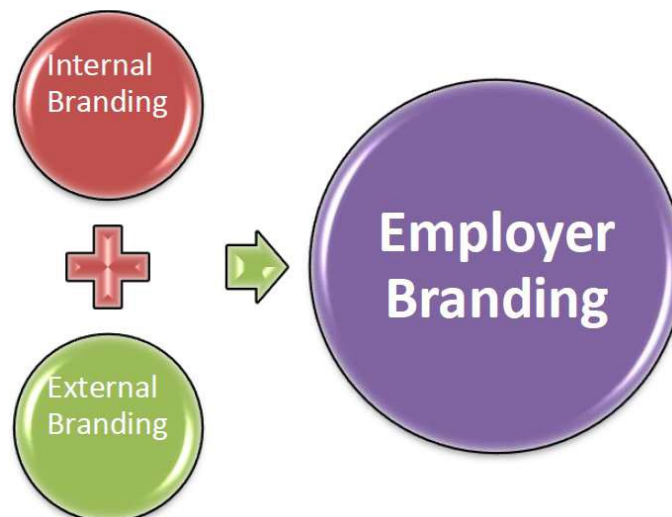
According to Figure 1, employer branding creates two principal assets – brand associations and brand loyalty. Employer brand associations shape the employer image that in turn affects the attractiveness of the organization to potential employees. Employer branding impacts organization culture and organization identity that in turn contribute to employer brand loyalty. As we have mentioned, organizational culture also feeds back to the employer brand. Employer brand loyalty contributes to increasing employee productivity. We use the conceptual framework in Figure 1 to develop research propositions regarding employer branding. We use Figure 1 as an organizing framework to develop different propositions, not to diagrammatically show the linkages that represent the complete inventory of propositions developed. Accordingly, some propositions developed in the following discussion are captured in the linkages shown

in Figure 1 while some others, which stem from multiple linkages or from a more general understanding, are not specifically captured in the figure.

### **PROPOSITIONS REGARDING EMPLOYER BRANDING**



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### INTERNAL BRANDING

Internal Branding is concerned with the current and potential employees' information about the employment experience and what is expected of them. Front office – Always pay attention to your front office because first impression is last impression. It should be kept neat and clean with a pleasant receptionist who always maintains freshness and welcomes the guests with courtesy. Stays interview – HR department can always conduct stay interviews in which they can interact with the employee and ask them regarding their career prospects, Their alignment with the company, Their feedback regarding their concerned departments, etc. These feedbacks could be analyzed and Therefore an internal brand image of the company can be created. **Exit interview** – An exit always carries a fair chance of initiating the chain reaction among the employees. By analysing the exiting reasons, the organization can overcome the justified ones in the future. **Employee satisfaction:** Employee satisfaction is always very important for any organization to grow. A satisfied employee is a productive employee. The company must create a good and positive rapport for the company in the market outside. **Policy information:** A policy should be designed in such a way that it holds good even after a long period of time. A frequent internal policy change sends a message to the outer world that the company is not consistent and reliable. **Customer orientation:** Customers are always the most important factors in business activities. The workforce should always be motivated towards delivery of customers' perceived requirements. **Employee participation:** Always try to ensure the maximum participation from the employee side, either in terms of internal events participation or external events.

### EXTERNAL BRANDING

External branding refers to branding which is done by using external sources and which may (or may not) require some investment in monetary or other forms. Use of job sites – As HR the first thing which comes to the mind is recruitment, so Job sites also offer good branding opportunities through different means like Pop ups, pop ins etc. Banners – Banners are also a good mean for branding. Banners can be of both types' means Online Banner and Street banners. By Online banner, the organization name will be flashed on different web pages as per your choice and price. Organizing seminar, presentation: The organization can organize talks, presentations, seminars

etc. For attracting people towards your organization. Corporate social responsibility (CSR) Corporate social responsibility refers to Corporate getting associated with society for some noble cause. The association can be in any mode either getting associated with a Charitable Trust or a NGO or some other public venture. Public events – Public events are one of the major ways of creating a brand image. An organization can participate in any of the public event and assuring that it does not get disappeared in the crowd of many brands or big names. Newspapers branding can be done through newspapers as well. If you target the local public, you can go for advertisements considering the individual day circulation, target readers, rapport of newspaper, and type of Newspaper etc. If you target only to employ people for your workforce requirement, you can place job Ads which may seem expensive at the first glance but in terms of attracting the correct workforce, it can do magic. Email – For mails related to job portals, the organization can create an auto reply which can contain brief description of the key aspects of candidate's and public interest and at the same time introducing that company to the public.

### **EMPLOYER BRANDING – AS A NEW HR ARENA**

This is a market oriented era. If you have a good brand value in market, you will get good response if not; it's very difficult to convince people. From an HR point of view branding is very important. If your organization has a good brand image in the market, it will help you in getting right workforce at right time and at the same time you will have a control over the employee cost. An organization with no brand name has to shell out lots of money to attract and retain the right candidate. Branding can be done in two ways:

### **EXTERNAL BRANDING AND INTERNAL BRANDING.**

Lots of factors may influence the branding strategy of an organization, like A) Nature of Business B) Nature of market C) Target reception D) Budget flexibility E) Long term mission of the organization F) Organizational structure. Etc. These are the few to count on but There may be many as per the business.



### BRANDING STRATEGY

**A) Nature of Business** – Branding should be based on the nature of business. Like if an IT company goes for a fashion show, it may not yield the same results as it would have got by going to IT Fair or something similar. A real estate company may go for some road show on property market.

**B) Nature of Market** – It is always recommended to gauge the market before going for any project which involves market risk. Like if you are targeting to explore a Financial market or banking and at the same time it is marred by some other factors like Inflation, you need to design your strategy which could help you in overcoming the negative trend.

**C) Reception Target** – It's always good to define the reception target or the audiences. If you are planning to sell Villas and targeting the middle class, probability is very high that you will end up spending your time and resources in wrong direction.

**D) Budget Flexibility** – Budget always plays an important role in deciding the strategies. If your budget doesn't allow you to spend a lot, it's always recommended to partner in any event where other participants are not of your field and it has got at least one participant who has got a good market value so that you can attract the crowd.

**E) Long Term Mission of Organization** – Also the long term as well as short term goals of the organization should be kept in mind. If the organization does not have any long term goals in the target market or location, it's always recommendable not to go for branding or it is very much required to go for a small, low budgeted branding event.

**F) Organizational Structure** – Organizational structure is also a very vital part for deciding any strategy. Organizational structure is the strength of any organization and any event or branding can be done based on that. Like if your organization does not have lots of hierarchy steps, you can boast of Flatness and claim of equal behavior. And if you have different layers, you can market the clear definition of roles etc.

### CORE PRINCIPLES OF EMPLOYER BRANDING

- Insight
- Focus
- Differentiation



- Benefits
- Continuity
- Consistency

### **BENEFITS OF EMPLOYER BRANDING**

Globally, many organizations now use employer branding as bait for attracting and retaining talent. This is in view of the challenges inherent in recruiting top talent, which can be a very tall order. Thus organizations splash huge resources and efforts on building the 'right image', its values, culture and character, in the hope of appealing to potential and current employees.

For obvious reasons, it is only companies with stronger employer brands that are better placed to win this relentless war for rare talent. Encouragingly, every company has an employer brand, the only difference being some have stronger ones than others and know how to measure its worth. Accrediting the employer brand i.e. The promise it makes to current and potential employees is a fundamental step toward cementing the eminence of the employer brand in the talent market. Essentially, employer intelligence' is the ability of a company to respond to the changing needs of the talent market – and not only those of current employees. This involves reviewing the company's annual position as an employer compared against other employers through effective research such as HR best practice benchmarking (both locally and internationally), marrying the outcomes of that research with the annual business objectives at the executive level and adapting HR strategy accordingly. Highly-engaged employees lead to improved customer satisfaction and business results: Employee satisfaction is increased by providing an employment experience• which is relevant and valuable to targeting employees and consistent with the promise of the employer brand. Improved ability to attract talent in highly competitive markets and economic conditions. Customer satisfaction is enhanced by improving the quality of service received from employees. Bottom-line profit will be boosted by increased customer loyalty, leading to increased buying and referrals. Apart from this the other benefits are as follows

1. Increased productivity & profitability
2. Increased employee retention

3. Highly ranked for Employer Attractiveness
4. Increased level of staff engagement
5. Lower recruitment costs
6. Minimized loss of talented employees
7. Employees recommending organization as a ,preferred' place to work
8. Maintenance of core competencies
9. Employees committed to organizational goals
10. Shorter recruitment time
11. Ensured long-term competitiveness
12. Improved employee relations
13. Decreased time from hire to productivity

### **PRACTICE OF EMPLOYER BRANDING**

The idea of Employer Branding comes from the assumption that human capital brings value to the company and through well handled investment in its human capital the company's performance can be improved (Backhaus & Tikoo 2004, p. 503). The resource-based view (RBV) discussed earlier suggests that characteristics of a firm's assets can contribute to sustainable competitive advantage and it is consistent with Backhaus & Tikoo's (2004) argument above as possession of resources that are rare, non substitutable, difficult to imitate and valuable which give companies advantage in contrast to their competitors (Backhaus & Tikoo 2004, p. 503). Commonly company assets, other than human capital, have been considered as important resources in Creating competitive advantage (Priem & Butler, 2001) but the current technological society cannot be beneficial without talented people. For example, Boxall's (2003) studies have shown the importance of human resources. He argued that a company with the latest network facilities just cannot achieve its competitive advantage without highly competent people to utilize them. To attract the best possible workers, companies need to apply external marketing of the Employer Brand to implicate that ,We are a company of choice' as the general assumption is that a distinctive brand

attracts better human capital to the company. (Backhaus & Tikoo 2004, p. 503). Usually it is assumed that these employees start their careers in the company with a favourable image of the employer, which has a positive influence on their work and commitment. Backhaus and Tikoo (2004) found out that Employer Branding campaigns can be used to change perceptions of the firm and this concept of psychological contract and its effect on the employee organizational relationship shows another foundation for Employer Branding. The traditional framework of psychological contract is between employees and employers, where workers give the promise of loyalty to a company in exchange for job security (Hendry & Jenkins, 1997). However, it has been founded by Backhaus and Tikoo (2004) that the recent trend of downsizing, outsourcing and flexibility on the part of the employer has brought out a new form of psychological contract, in which employers provide employees with marketable skills through training and personal development in exchange for effort and flexibility. To tackle the problems incurred by current trends of downsizing and outsourcing, companies have used Employer Branding to advertise the benefits they still offer, such as training, career opportunities, personal growth and development.

In general this type of message has been difficult to get through to current or potential employees, so Employer Branding campaigns are used more commonly today (Backhaus & Tikoo 2004; Mosley, 2007). It should be noted that Backhaus & Tikoo's (2004) research is conducted in United States, so their findings of the current Employer Branding trends do not necessarily apply in the Finnish corporate environment. Employer branding can help companies to achieve three common goals: lowering costs, increasing customer satisfaction and ultimately, delivering higher than average return on investments and profitability (Barrow & Mosley, 2006). However, major benefits of Employer Branding are, according to Hewitt Associates (2001), generally cited as being enhanced recruitment and retention. This argument is supported by Barrow & Mosley (2006) who additionally stated that employee engagement/ commitment are among the key benefits of Employer Branding. When it comes to the practices of Employer Branding, There are several factors that enable or hinder a company to gain the benefits listed above. Those factors, or qualities, can be divided into internal and external qualities (Barrow & Mosley, 2006). External qualities include factors like external reputation, pool of potential employees and ranking against other companies Employer Brand. On the other hand, internal qualities include elements such as recruitment and

induction, reward and recognition, employee satisfaction, working environment and learning and development. (Barrow & Mosley, 2006; Burman et al, 2007; Mangold & Miles, 2007.) In addition, a company's size, industry and location can also be considered as a company's internal qualities as employer (Mangold & Miles, 2007). The most important internal qualities will be used in the empirical part of the study.

### **THE VALUE OF THE EMPLOYER BRAND IN INDIA**

The Employer Brand—A Strategic Tool to Attract, Recruit and Retain Talent' highlights that HR uses the employer brand for three main reasons:

- 1) Organizational culture and employee fit;
- 2) Positive outcomes for recruiting; and
- 3) Retaining talent with corporate values and a team-based culture.

At its most effective, the employer brand is a long-term strategy with a transparent message that promotes the organization as an employer of choice. The evolving and expanding focus on Brand India is one of many great changes occurring in the Indian business landscape. In India's Global Powerhouses: How They Are taking on the World, author Nirmalya Kumar points out that brand building the image and the recognition—is a long-term effort that requires substantial resources. 'The shackles of Brand India, where even sophisticated people outside India see it as associated with call centers and software engineers, are not consistent with creating and managing consumer products.' He notes important exceptions where the stereotypical India image can be beneficial, such as in niches related to what may be seen as 'exotic India' (foods or fabrics, etc.). At the same time, he says that 'Brand India is also complex. In terms of hard power (i.e., cash) India is poor, especially compared to China. However, when it comes to soft power (ideas and values), Brand India because of its history, large private sector, functioning democracy, and free press as well as the relatively peaceful coexistence of its multicultural, multi-religious population has a positive image.' The increasing focus on competitive advantage is leading many firms to rethink their employer brand. 'India, Inc.' a common term used in India to refer to India's corporate sector—aims to positively build on opportunities as the world economy strengthens, and the employer brand is a prime example of a progressive HR practice in India. As highlighted by Indian management researcher and author Jyotsna Bhatnagar, the

employer brand is an important differentiator in India for talent management. The fit between employer and employee is important for hiring compatibility. Yet, research shows that Indian companies do not always intentionally develop employer branding interventions. 'Infosys, Wipro and TCS did not intentionally build their brands; rather, they focused on building a productive workplace, resulting in happy employees, and their brands were the result of that foundation,' says Mr. Bhatnagar. 'For other organizations in India, such as RMSI and Google, which already have strong employer brands, their goal is to 'live' the brand.'<sup>4</sup> As illustrated in Figure 1, the value of the employer brand in India is multifaceted and mirrors those values seen as critical by most successful multinational corporations. If effectively marketed internally and externally, the employer brand in India has a strong value proposition, with core corporate values at its foundation.

A powerful employer brand has the capacity to attract and retain talent and represent quality to its customers, with the goal of gaining global recognition in a sustainable manner. 'Every employer brand is an investment that should demonstrate a return comparable to other forms of business investment. The employer brand strongly supports corporate brands, and vice versa. Ultimately, the key to a successful employer brand is to ensure that expectations are fully aligned with the realities of working for the organization,' says Manmohan Bhutani, Vice President of People and Operations at Fiserv India. 'Employer brand values in our company are particularly significant, as the global economic crises and demand contraction have brought to the fore the criticality and urgency of environment care and protection issues as an important criteria for maintenance and development of goods and services into the future.' Vijayan Pankajakshan, Director – Human Resources, CHEP India Pvt. Ltd. As Indian firms focus on strategies of turnaround, diversification, expansion and internationalization, human resources and human capital performance in India have become increasingly important. Consequently, HR role in effectively using the employer brand has tremendously expanded and grown in importance. A brief historical snapshot provides background about the increasing role of human resource management in India and the employer brand as a strategic HR tool. The HR profession in India began in the 1920s with concern for labour welfare in factories. After India's independence from Great Britain in 1947, the HR profession evolved, expanding in the 1960s into three areas—labour welfare, industrial relations and personnel administration. The profession further

matured in the 1980s and was more commonly known as human resource development (HRD). With the liberalization of the Indian economy in 1991 and subsequent economic reforms, the importance of the HR function dramatically increased. In the 1990s, the focus was on HRD as a key tool for business survival, and the HRD scorecard became a method to measure effective people development activities. With the arrival of many multinational corporations (mncs) in India, There has been an increase in progressive HR practices as well as an expansion of different types of HR terminology, such as human resource management (HRM). In the past 10 years or so, the human resource profession in India has become increasingly sophisticated.

It continues to evolve, using Indian human resource management practices combined with best practices from the West that fit the needs of the organization. Globalization has led to a blending of work cultures—east and West In the 2009 book *The Changing Face of People Management in India*, management researchers Pawan S. Budhwar, Ingmar Björkman and Virender Singh emphasize that global HR policies are now being modified to appropriately (and culturally) fit Indian companies. For example, many mncs have a policy that enables the company employees to fire people without any explanation (known as ‘termination without cause’), and this policy goes against Indian culture and legislation. Slowly, this global HR policy is being modified in operations in India, with an explanation provided when someone is removed from their position. Remuneration practices are another example of HR policies that need to be modified to fit local India standards these changes point to the importance of mncs being locally sensitive in terms of talent management in the Indian space and, ultimately, the impact on the employer brand in India from the standpoint of the company’s reputation as an employer of choice.

### THE COMPONENTS OF AN EMPLOYER BRAND

Here are some things to consider with respect to your employer brand:

- Internal communication
- Reward & recognition
- Learning & development
- Measurement systems
- Performance appraisal
- Team management

- Recruitment and on-boarding
- Working environment
- External marketing
- Values
- Senior leadership

Two of the biggest elements of employment branding are communication and culture. People always want to feel like they 'fit in' and they always want to be communicated to in an open and authentic manner. This holds true whether you're thinking about internal employees or external job seekers and candidates.

### **EMPLOYER BRANDING ESSENTIALS**

Employer branding – the latest buzzword to describe perceptions of an organization as an employer – is being heralded in areas of the press as the answer to attracting and retaining the right talent in an increasingly competitive environment.

### **CAREER PROSPECTS AND PLANNING ATTRACT**

It's true to say that employers which have strong brand awareness rely on it heavily to attract the right staff half the employers surveyed is a recent workplace study told us that their brand was a key factor when recruiting staff, placing it alongside career progression as the two main attributes to promote to potential recruits. Clearly, brand reputation works harder for major employers and is reflected in the fact that less high profile employers may find the recruitment process more difficult. There is however a disparity between this and what employees tell us. As might be expected, career progression is a key attribute, closely followed by salary. Yet jobseekers rate culture and location more highly than pure brand reputation when considering an employer. Some employers are taking heed. We're seeing organizations secure the best talent by offering a clearly defined career plan, which maps out expectations of the individual and what can be expected from the organization throughout their career.

### **ALIGN YOUR EMPLOYER AND CUSTOMER BRANDS**

Both your employer brand and your external customer brand strategies need to be aligned in order to reflect the brand effectively and consistently, and ensure you are attracting the right people. The bigger the organization the more people will have already formed an opinion of it. So it's essential the two are in alignment and not

working against each other. When the two strategies are aligned, both current and prospective employees will receive the complementary messages, ensuring these become synonymous with your organization. If your employer brand emphasizes and cements the values communicated through your external brand, then when a prospective employee approaches your organization, it will ensure they are being given the same consistent message.

### **YOUR RECRUITMENT PROCESS NEEDS TO REFLECT YOUR BRAND**

Every step of the recruitment process will shape the impression a potential employee has of your organisation and influence them to accept or reject a job offer (or even apply). So it's important that you're happy that the recruitment experience correctly reflects your brand and in turn attracts and engages the right people. Just some of the things you'll want to consider are: where and how you advertise a role; how easy is it for people to apply; when and how you respond to applications; the number of interview steps; where, who and how your interviews are conducted; your rejection and offer process and finally how you stay in contact with the new recruit until the day they start to secure their interest.

### **EMPLOYEES BREATHE AND ACT AS AMBASSADORS**

Make sure that your people support your brand. They should be your strongest brand advocates. They must live and breathe the brand, understand what the brand stands for and what you are trying to achieve. Include everyone, from sales and marketing through to PR and HR when developing your propositions. Ensure it's fully communicated, understood and embedded internally before taking your brand to market. Focus as much of your efforts on internal buy-in as you would on your external marketing: There is no point spending millions on marketing campaigns for a potential customer or employee to then interact with an existing employee who doesn't visually or verbally represent the brand. It's inconsistent, will cause internal and external disconnect and any chance of sale and ultimately loyalty are lost.

### **DON'T LOSE FOCUS IN DIFFICULT TIMES**

Effective employer branding relies on a consistency of message and delivery, which should not change due to a weak economic climate, or internal instability. A well thought-out employer brand strategy looks to the long-term objectives and is built upon



a clear understanding of whom you want to attract and retain. This shouldn't change with the tide. In tough times, a strong employer brand, with consistent messaging, is even more essential. It helps make current employees feel more secure and confident. Don't be fooled into thinking There are more important things to deal with. The confidence and support of your employees – and your reputation amongst prospective employees – will play a factor in your organization's future.

### **ENGAGE MANAGEMENT AT ALL LEVELS**

The strongest, most thought-out and punchy brand identity will slip into oblivion unless it is kept alive by staff. But true employee engagement will only happen if the brand is embedded into the culture of the organization, made second nature and nurtured by management. When supermarket Morrisons rolled out a valuesbased employer brand in 2007/08, they used management workshops and supporting toolkits to help them engage their own teams. Moreover, underpinning its success is a senior leadership team that is leading by example and keeping values high on the agenda. By upholding a distinct leadership profile, listening to 360-degree feedback and giving managers one-to-one coaching in response, staff across the company are better equipped to translate Morrison's brand concept into practical everyday steps.

### **CONSISTENCIES**

Any customer, supplier or potential employee who interacts with your organization wants, needs and expects to see consistency of your brand. From marketing to sales to operations to delivery to finance – the complete experience needs to be consistent. In an attraction and recruitment context that means the visual identity, the tone of voice and the face to face experience that is used throughout your campaigns and process needs to be 'on Brand'. This requires communication; understanding and engagement of those involved with the process and can only be achieved by your employees understanding why these things are important and what they mean to the business and the potential employee.

### **MONITOR PROGRESS**

Finally, but most importantly, regularly monitor your progress. Find out what your employees and ex-employees think. Their feedback is crucial and will ensure you are on the right track and, if not, will allow you to make informed decisions about what

to adapt. Consider the most appropriate medium for carrying out the research, make it anonymous and ask questions that are relevant to your workforce and organization.

### MARKETING ASPECTS OF EMPLOYER BRANDING

As the term employer branding originated out of a merger of marketing and human resource management theories There are significant parallels to the marketing discipline, which has also been mentioned by quite a few authors ((Ewing, Pitt et al. 2002), (Backhaus, Tikoo 2004), (Mosley 2007), (Moroko, Uncles 2008), (Engelund, Buchhave 2009)



### WHY EMPLOYER BRANDING IMPORTANT FOR HR?

Dr Shirley Jenner and Stephen Taylor of Manchester Metropolitan University Business School suggest There are four main reasons why the concept of employer branding has become prominent in recent years. They identify these as:

- Brand power
- HR' search for credibility
- Employee engagement
- Prevailing labour market conditions.

Jenner and Taylor explain their importance in the following extracts from the Research Insight.

### **BRAND POWER**

The past 20 years have seen the rise of the brand as a central concept in organizational and social life. Branding underpins a growing, influential and profitable reputation management, PR, consultancy and recruitment advertising industry. The past decade has seen unprecedented growth in the importance of corporate social responsibility (CSR) for investors, employees and other stakeholders.

### **HR SEARCH FOR CREDIBILITY**

HR professionals continue in the search for credibility and strategic influence. Embracing the language and conceptual tools of brand power seems an obvious choice. This direction reflects continuity with earlier iterations of HR, for example with organizational development and culture change.

### **EMPLOYEE ENGAGEMENT**

Recent years have seen an increased interest in promoting employee engagement. This includes attempts to recruit, socialize and retain a committed workforce. From a branding perspective, the recruitment proposition forms the basis for workplace satisfaction and identification with organizational goals and values

### **LABOR MARKET CONDITIONS**

The final driver identified by Jenner and Taylor was prevailing labour market conditions. At the time of writing (2007) they pointed out that for an extended period of time unemployment remained low and skills shortages continued. Tight labour market conditions were combined with a tough trading environment. Employers were thus obliged to compete more fiercely with one another to recruit and retain effective staff, while also being severely constrained in the extent to which they could pay higher salaries in order to do so. A strong employer brand was being promoted as the key to winning this 'war for talent' by establishing organizations' unique selling point in employment terms. Since the time of writing,

There has been a change in labour market conditions with the economic downturn and rising unemployment. However, in uncertain economic times, employer brand appears still appears to be a relevant concept as organisations seek to motivate and engage existing employees and need to tempt candidates for key positions away from roles they perceive as ‘safe’ in their current organizations. Businesses making employees redundant will need to consider how they minimize damage to their reputation as an employer and consider the impact on ‘survivors’ still with the company.



### LABOUR MARKET CONDITIONS LEVELS

#### INVOLVE EMPLOYEES IN EVERY FACET OF THE PROCESS

Because employees directly experience whether or not you deliver on your employer brand promise – whether you walk your talk – they play an essential role in the employer branding process. Without their input on how to make your organization a better place to work and their ongoing feedback about how well you are delivering the work experience you promise, you are likely to do what many organizations do. Frontline workers possess critical workplace quality intelligence that senior managers huddled around a conference table would never be able to provide. If you truly want to develop a Magnetic Employer Brand, employee involvement is nonnegotiable. How do you involve your employees? First, make sure frontline workers are represented on

your employer branding team. Second, conduct employee focus groups and surveys both in the beginning and on an annual or biannual basis, to find out organizational and managerial practices that are weakening your employer brand.

### **ORGANIZATIONAL RETENTION**

Effective Organizational retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs. A strong retention strategy becomes a powerful recruitment tool. Retention of key employees is critical to the long-term health and success of any organization. It is a known fact that retaining your best employees ensures customer satisfaction, increased product sales, satisfied colleagues and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning. Retention matters as organizational issues such as training time and investment; lost knowledge; insecure employees and a costly candidate search are involved. Hence failing to retain a key employee is a costly proposition for an organization. Various estimates suggest that losing a middle manager in most organizations costs up to five times of his salary. Intelligent employers always realize the importance of retaining the best talent. Retaining talent has never been so important in the Indian scenario; however, things have changed in recent years. In prominent Indian metros at least, There is no dearth of opportunities for the best in the business, or even for the second or the third best. Retention of key employees and treating attrition troubles has never been so important to companies. In an intensely competitive environment, where HR managers are poaching from each other, organizations can either hold on to their employees tight or lose them to competition. For gone are the days, when employees would stick to an employer for years for want of a better choice. Now, opportunities abound. It is a fact that, retention of key employees is critical to the long-term health and success of any organization. The performance of employees is often linked directly to quality work, customer satisfaction, and increased product sales and even to the image of a company. Whereas the same is often indirectly linked to, satisfied colleagues and reporting staff, effective succession planning and deeply embedded organizational knowledge and learning. Retention matters, as, organizational issues such as training time and investment, costly candidate search etc., are involved. Hence, failing to retain a key employee is a costly proposition for any organization. Various estimates suggest that losing a middle

manager in most organizations, translates to a loss of up to five times his salary. This might be worse for BPO companies where fresh talent is intensively trained and inducted and then further groomed to the successive stages. In this scenario, the loss of a middle manager can often prove dear. Organizational Retention Strategies helps organizations provide effective employee communication to improve commitment and enhance workforce support for key corporate initiatives.

### **DEFINITIONS OF ORGANIZATIONAL RETENTION**

Get Les Mckeown – define Organizational Retention as ,effective retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their divers needs...’ Webster's Dictionary defines retaining as keeping in one's pay or service. Unless it needs to lay off employees, the organization wants to keep its employees in its pay and service. According to Workforce Planning for Wisconsin State Government - Organizational Retention involves a systematic effort by the organization to create an environment that addresses diverse employee needs so employees will stay with the company.

### **ORGANISATIONAL RETENTION TOOLS**

Hiring individuals who are truly fit to succeed in the position for hire will dramatically increase the chances of that employee being satisfied with his or her work and remaining with the company for extended period of time. By far, we have found this to be the biggest predictor of future employee retention.

### **COMMUNICATION**

Communication has become so heavily stressed in the workplace that it almost seems cliché. However communication couldn't be more important in the effort to retain employees. Be sure that team members know their rules, job description, and responsibilities within the organization. Communicate any new company policies or initiatives to all employees to be sure that everyone is on the same page. Nobody wants to feel that they are being left out of the loop.

### **INCLUDE EMPLOYEES IN DECISION MAKING**

It is incredibly important to include team members in the decision making process, especially when decision will effect an individual's department or work team. This can help to create of employee involvement and will generate new ideas and perspectives that top management might never have thought of.

### **ALLOW TEAM MEMBERS TO SHARE THEIR KNOWLEDGE WITH OTHERS**

The highest PERCENTAGE (%)age of information retention occurs when on shares that information with others. Having team members share when they have learned at a recent conference or training workshop will not only increase the amount is information they will retain, but also lets a team member know that he is a valuable member of the organization. Facilitating knowledge sharing through an employee mentoring program can be equally beneficial for the team member being mentored as well as mentor.

### **SHORTEN THE FEEDBACK LOOP**

Do not wait for an annual performance evaluation to come due to give feedback on how an employee is performing. Most team members enjoy frequent feedback about how they performing. Shortening the feedback loop will help to keep performance level high and will reinforce positive behavior. Feedback does not necessarily need to be Scheduled or highly structured; simply stopping by a team member's desk and letting them know they are doing a good job a current project can do wonders for morale and help to increase retention.

### **BALANCE WORK AND PERSONAL LIFE**

Family is incredibly important to team members. When work begins to put a significant strain on one's family no amount of money will keep an employee around. Stress the importance of balancing work and one's personal life. Small gestures such as allowing a team member to take an extended lunch once a week to watch his son's baseball game will likely be repaid with loyalty and extended employment with an organization.

### **PROVIDE OPPORTUNITIES FOR GROWTH AND DEVELOPMENT**

Offer opportunities for team members to acquire new skills and knowledge useful to the organization. If an employee appears to be bored or burned out in a current position offer to train this individual in another facet of the organization where he or she would be a good fit. Nobody wants to feel stuck in their position with no possibility for advancement or new opportunities.

### **RECOGNIZE TEAM MEMBERS FOR THEIR HARD WORK AND LET THEM KNOW THEY ARE APPRECIATED**

This can be one of the single greatest factors affecting employee retention. Everybody, in the all levels of an organization, wants to know that their efforts are appreciated and recognized. This can be as simple or as extravagant as a supervisor may desire. Often time a short e-mail or quickly stopping by a team member's desk and saying ,thanks' can do wonder for morale. Other options might include a mention in the company newsletter for outstanding performance or gift certificates to a restaurant or movie theatre – the possibilities are endless.

### **CLEARLY DEFINE WHAT IS EXPECTED OF TEAM MEMBERS**

Nothing can be more frustrating or discouraging for an employee than the lack of a clear understanding of what is expected of him on the job. In a performance driven workplace a lack of clarity regarding job duties and expectations can cause fear and anxiety among employees who are unclear of what is expected of them. Even worse outright Anger can occur when a team member receives a negative performance evaluation based on expectations and job duties that he or she was unaware of or unclear about.

### **THE QUALITY OF SUPERVISION AND MENTORSHIP**

It has been said so often that it is almost cliché, but people leave, not their jobs. Supervisors play the largest role in a team member's development and ultimate success within an organization. All employees want to have supervisors who are respectful, courteous, and friendly – that is a given. But more importantly team member want supervisors who see clear performance expectations, deliver timely feedback on



performance, live up to their word and promises, and provide an environment where the employee can grow and succeed. Failure by supervisors and management to provide this can cause an employee to start looking for greener pastures.

### **FAIR AND EQUITABLE TREATMENT OF ALL EMPLOYEES**

One of the surest ways to create animosity and resentment in an organization is to allow favoritism and preferential treatment of individual team members. The so called 'good ole' boys club' can create a noxious organization culture and foster resentment among team members. This culture will only get worse and can create a devastating exodus of valued team members.

### **BEST EMPLOYEE REWARD PROGRAMS**

If these rewards are in terms of money, by dividing it into two parts and giving the first half parts with the initial month's salary and the remaining after six months helps in retaining the employee for six months.

### **CAREER DEVELOPMENT PROGRAM**

Conditional assistance for certain courses should be provided within the company in which the company will bear the expenses only if he/she scores a certain aggregate of marks.

### **PERFORMANCE BASED BONUS**

To get more work out of the employees, remuneration in the form of bonus helps to retain individuals who are highly productive. It doesn't add extra – pressure on the company's budget. It can be arranged by cutting a part of the salary hikes.

### **EMPLOYEE REFERRAL PLAN**

Introducing employee referral plans and giving referral bonus after six to nine months of continuous working of the new employee as well as existing employee reduces the hiring cost of new employee as well as helps retention of the existing ones for a longer period of time.

### **LOYALTY BONUS**

After successful completion of a specified period of time in an organization rewarding employees with money or position gives recognition and satisfaction to them. It also gives encouragement to the fellow employees.

### **GIVING VOICE TO THE KNOWLEDGE BANKS**

The important intellectual assets of the company are the workforce. The company should retain it through involving I in some of the important decisions

### **EMPLOYEE RECREATION**

Involvement of top management along with the lower and middle level management in some recreational activities makes the employees feel that they are very close to the management and are treated equality.

### **GIFTS ON SOME OCCASIONS**

Giving some gifts on festivals and special occasions to the employees makes them feel good and realize that the management is concerned about them.

### **ACCOUNTABILITY**

Creation of an environment that demands accountability and transparency helps employees to feel that they are as superiors. This helps in emotional bonding of the employees.

### **SURVEYS**

Conducting regular surveys, feedbacks from superiors as well as other issues like morale, development plans, etc. This make them feel important and understand that the company really cares for them

### **FUN AND LAUGHTER AT WORKPLACE**

Fun and laughter in a workplace lend a competitive advantage to an organization through its human recourses. The presence of humor in a workplace enables the employees to work with interest and enthusiasm that reduce the work pressure and attrition levels. It instills a sense of joy among the employees that can go a long way in creating a bond between the employees and the employer and Thereby decreasing the

rate of employee attrition. In a nutshell, creating a fun and laughter – filled work environment in an organization will pave the way for its success in the marketplace. Such a company is sure to emerge as an ‘employer of choice’. For every company, workforce is an intellectual capital which is the source of its competitive advantage and helps achieve the bottom line. Hence, retaining a welltrained, skilled and contented workforce can lead a company to dizzy heights while the lack of it can hamper its growth badly. So, every resignation saved is every dollar earned.

### THE THREE Rs OF ORGANIZATIONAL RETENTION



To keep employees and keep satisfaction high, you need to implement each of the three Rs of organizational retention: respect, recognition, and rewards.

**RESPECT** is esteem, special regard, or particular consideration given to people. As the pyramid shows, respect is the foundation of keeping your employees. Recognition and rewards will have little effect if you don't respect employees.

**RECOGNITION** is defined as 'special notice or attention' and 'the act of perceiving clearly.' Many problems with retention and morale occur because management is not paying attention to people's needs and reactions.

**REWARDS** are the extra perks you offer beyond the basics of respect and recognition that make it worth people's while to work hard, to care, to go beyond the call of duty.

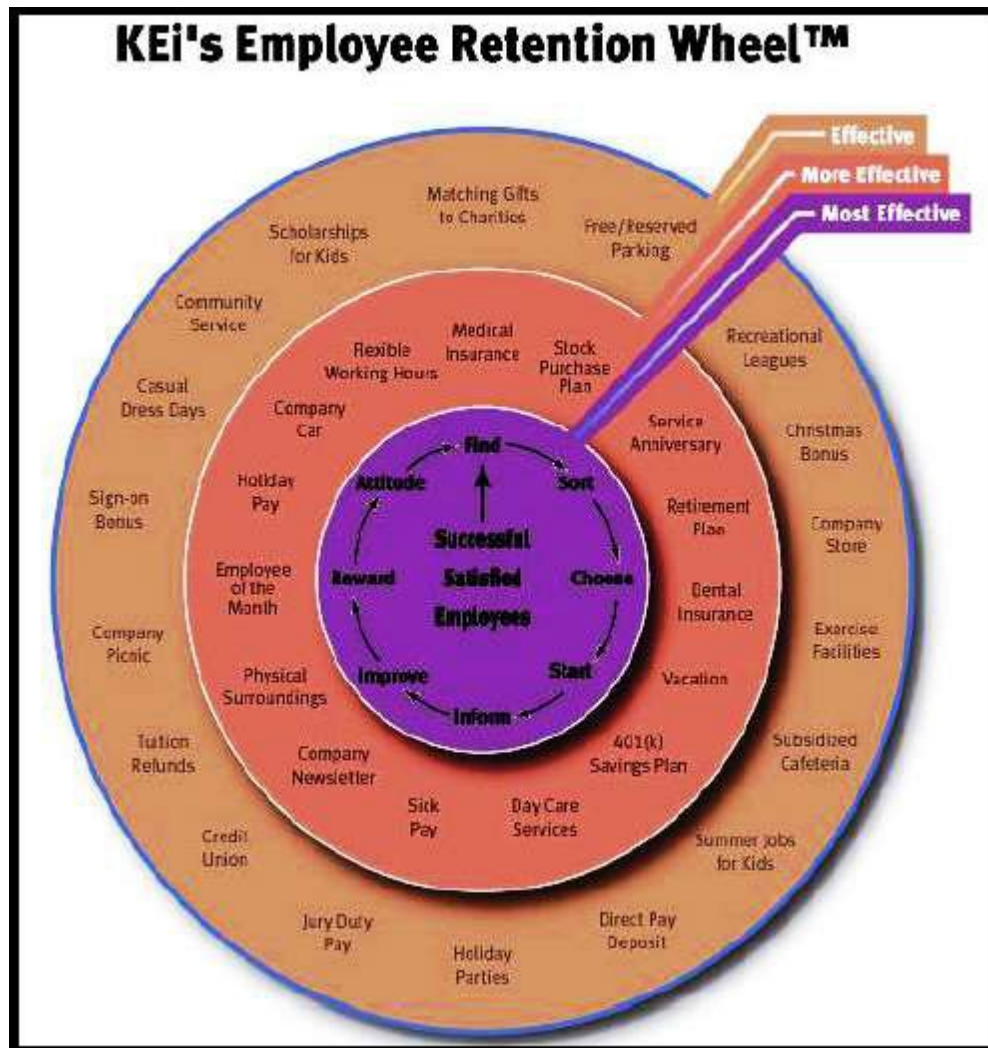
While rewards represent the smallest portion of the retention equation, they are still an important one. You determine the precise methods you choose to implement the three Rs, but in general, respect should be the largest component of your efforts. Without it, recognition and rewards seem hollow and have little effect—or they have negative effects. The magic truly is in the mix of the three. When you implement the 'three Rs' approach, you will reduce turnover and enjoy the following:

- Increased productivity
- Reduced absenteeism
- A more pleasant work environment (for both employees and you!)
- Improved profits

Furthermore, an employer who implements the three Rs will create a hard-to leave workplace, one known as having more to offer employees than other employers. You become a hard-to-leave workplace—one with a waiting list of applicants for any position that becomes available—purposefully, one day at a time.

### **KEI's ORGANIZATIONAL RETENTION WHEEL**

The first step to improving your organizational retention is to understand why employees stay with their current employer. Many "experts" dwell on the reasons employees leave, which is not as important or revealing as the reasons they stay. Companies have tried many different programs and perks to hold onto good employees. However, studies show that these efforts are not enough to retain good employees when the support that is needed to achieve job success is not adequate. Don't Waste Your Money on Things That Don't Make a Difference... Among the countless inducements offered, only those identified in the center of KEI's Organizational Retention Wheel™ are truly what give employees a consistent reason for saying "no thank you" when tempted with a "sweeter offer."



## CHAPTER – 3

### 3.1 INDUSTRY PROFILE

Information technology (IT) is the application of computers to store, study, retrieve, transmit, and manipulate data, or information, often in the context of a business or other enterprise. IT is considered a subset of information and communications technology (ICT). In 2012, Zuppo proposed an ICT hierarchy where each hierarchy level "contain[s] some degree of commonality in that they are related to technologies that facilitate the transfer of information and various types of electronically mediated communications." The term is commonly used as a synonym for computers and computer networks, but it also encompasses other information distribution technologies such as television and telephones.

Several industries are associated with information technology, including computer hardware, software, electronics, semiconductors, internet, telecom equipment, and e-commerce. Humans have been storing, retrieving, manipulating, and communicating information since the Sumerians in Mesopotamia developed writing in about 3000 BC, but the term information technology in its modern sense first appeared in a 1958 article published in the Harvard Business Review; authors Harold J. Leavitt and Thomas L. Whisler commented that "the new technology does not yet have a single established name. We shall call it information technology (IT)." Their definition consists of three categories: techniques for processing, the application of statistical and mathematical methods to decision-making, and the simulation of higher-order thinking through computer programs.

Based on the storage and processing technologies employed, it is possible to distinguish four distinct phases of IT development: pre-mechanical (3000 BC – 1450 AD), mechanical (1450– 1840), electromechanical (1840–1940), electronic (1940–present). This article focuses on the most recent period (electronic), which began in about 1940. IT Industry In India: India is the world's largest sourcing destination for the information technology (IT) industry, accounting for approximately 67 per cent of the US\$ 124-130 billion market. The industry employs about 10 million workforces. More importantly, the industry has led the economic transformation of the country and altered the perception of India in the global economy. India's cost competitiveness in providing

IT services, which is approximately 3-4 times cheaper than the US, continues to be the mainstay of its Unique Selling Proposition (USP) in the global sourcing market. However, India is also gaining prominence in terms of intellectual capital with several global IT firms setting up their innovation centres in India. The IT industry has also created significant demand in the Indian education sector, especially for engineering and computer science. The Indian IT and ITeS industry is divided into four major segments – IT services, Business Process Management (BPM), software products and engineering services, and hardware. Market Size: The Indian IT sector is expected to grow at a rate of 12-14 per cent for FY2016-17 in constant currency terms.

The sector is also expected triple its current annual revenue to reach US\$ 350 billion by FY 2025#. Employees from 12 Indian start-ups, such as Flipkart, Snapdeal, Makemytrip, Naukri, Ola, and others, have gone on to form 700 start-ups on their own, thus expanding the Indian startup ecosystem.! India ranks third among global start-up ecosystems with more than 4,200 start-ups. Total spending on IT by banking and security firms in India is expected to grow 8.6 per cent year-on-year to US\$ 7.8 billion by 2017. India's internet economy is expected to touch Rs 10 trillion (US\$ 146.72 billion) by 2018, accounting for 5 per cent of the country's GDP. The public cloud services market in India is slated to grow 35.9 per cent to reach US\$ 1.3 billion according to IT consultancy, Gartner. Increased penetration of internet (including in rural areas) and rapid emergence of e-commerce are the main drivers for continued growth of data centre co-location and hosting market in India. The Indian Healthcare Information Technology (IT) market is valued at US\$ 1 billion currently and is expected to grow 1.5 times by 2020. India's business to business (B2B) e-commerce market is expected to reach US\$ 700 billion by 2020 whereas the business to consumer (B2C) e-commerce market is expected to reach US\$ 102 billion by 2020. Cross-border online shopping by Indians is expected to increase 85 per cent in 2017, and total online spending is projected to rise 31 per cent to Rs 8.75 lakh crore (US\$ 128 billion) by 2018.

Post the government's announcement of demonetization of specific currency denominations, digital payment platforms such as Paytm, MobiKwik, Oxigen witnessed a sharp spike in user transactions, app downloads and merchant enquiries, thereby indicating a greater demand towards digital payments by consumers. India ranks among the top five countries in terms of digitalisation maturity as per Accenture's Platform



Readiness Index, and is expected to be among the top countries with the opportunity to grow and scale up digital platforms by 2020. Investments/ Developments: Indian IT's core competencies and strengths have attracted significant investments from major countries. The computer software and hardware sector in India attracted cumulative Foreign Direct Investment (FDI) inflows worth US\$ 22.83 billion between April 2000 and December 2016, according to data released by the Department of Industrial Policy and Promotion (DIPP). Leading Indian IT firms like Infosys, Wipro, TCS and Tech Mahindra, are diversifying their offerings and showcasing leading ideas in blockchain, artificial intelligence to clients using innovation hubs, research and development centres, in order to create differentiated offerings.

Some of the major developments in the Indian IT and ITeS sector are as follows: Bengaluru-based fintech company ZestMoney, owned by Camden Town—Technologies Pvt. Ltd, has raised US\$ 6.5 million in a series A round of funding led by Naspers-owned PayU; and will invest the funds in technology and product development. Google plans to set up its first data centre in India in the city of Mumbai by 2017, to— improve its services to local customers wanting to host their applications on the internet, and to compete effectively with the likes of Amazon and Microsoft. Sagoon Inc, a social network and e-commerce start-up, has filed mini-initial public—offering (IPO) papers with the US Securities and Exchange Commission (SEC), to raise around US\$ 20 million, which will be used to set up a campus in India, expand its team in India, the US and Nepal, and support marketing and branding and other general purposes. SAP SE, in partnership with the Associated Chambers of Commerce of India— (ASSOCHAM), has rolled out a knowledge sharing resource centre which will serve as a one-stop portal for businesses looking to adopt or migrate to technology that will make them future ready for the biggest taxation reform of goods and services tax (GST).

Freshdesk, one of first companies from India to offer Software-as-a-Service (SaaS) to— global companies, has raised US\$ 55 million in the latest round of funding led by Sequoia Capital India and existing investor Accel Partners, estimating to value the company at US\$ 700 million. Warburg Pincus LLC, the US-based private equity firm, plans to invest around US\$— 75 million in series C round of funding to buy a significant stake in Capital Float, an online credit platform. Helpshift Inc, which makes



customer support software for mobile apps, announced— raising US\$ 2 million from Cisco Investments, in addition to working with Cisco to integrate its in-app customer support with Cisco's contact centre solutions. Knowlarity Communications Pvt Ltd, a cloud telephony provider, has announced— raising US\$ 20 million from multiple investors such as Dubai-based private equity investor Delta Partners, existing investors Sequoia Capital Funds and Mayfield Fund, apart from venture-debt from Blacksoil and Trifecta Capital. Flipkart, India's largest e-commerce marketplace, has re-entered the private label— business by launching Smart Buy, the first of two new private labels, with a view to boost earnings and fill gaps in its product selection. Fitpass, a Delhi-based revolutionary app which offers access to gyms and health clubs— membership, has raised US\$ 1 million in seed funding from investors in Mumbai, Delhi, and Bengaluru.

Apple's supplier and assembler, Taiwan-based Winstron, will set up an iPhone— assembly facility in Peenya, Bengaluru's industrial hub, thus making India the third country across the world to have an assembly unit for Apple's iPhone. Kratikal Tech Pvt Ltd, a cyber-security start-up, has raised around US\$ 500,000 in— seed round of funding led by Mr Amajit Gupta, former director of Microsoft India, which will be used for product development and building training modules. International Finance Corporation (IFC) plans to invest US\$ 10 million as equity in— Bengaluru-based Zinka Logistics Pvt Ltd, which provides a technology platform called Blackbuck for long-haul trucking market in India, estimated at US\$ 70 billion. Paytm's online marketplace unit raised US\$ 200 million in a funding round led by a— US\$ 177 million investment to be made by Alibaba Group Holding Ltd, and balance by SAIF Partners.

Intel Corporation plans to invest in Digital India related solutions such as India stack,— Unique Identification (UID), e-government 2.0 and other government initiatives, and scale up operations of its data centre group (DCG), as per Mr Prakash Mallya, Director DCG, Asia for Intel Corporation. Reliance Industries Ltd (RIL) plans to set up entrepreneurship hubs in key cities and— towns, and a Rs 5,000 crore (US\$ 748 million) fund, under the name of Jio Digital India Startup Fund, to invest in technology based startups. Gurgaon-based digital wallet start-up MobiKwik, which is owned and operated by— One MobiKwik Systems Private Limited, has raised US\$ 40 million from Nasdaqlisted firm Net1, a South African payments technology company.

Orange Business Services, the business services arm of Orange Group, has launched a state data centre for Himachal Pradesh government, which will be the first data centre in India to be designed using 'green' data centre concepts that minimise power requirements and increase power utilisation efficiency. PurpleTalk Inc, a US based mobile solutions company, has invested US\$ 1 million in Nukkad Shops, a Hyderabad based uber-local commerce platform that helps neighbourhood retail stores take their businesses online through a mobile app. KartRocket, a Delhi based e-commerce enabler has completed its US\$ 8 million funding round by raising US\$ 2 million from a Japanese investor, which will be used to enhance Kraftly, a mobile-first online-to-offline marketplace targeting small sellers, individuals and home-based entrepreneurs in India in product categories such as apparel and accessories. Xpressbees, an e-commerce logistics firm operated by Busybees Logistics Solutions Private Limited, has raised US\$ 12.5 million in a Series A funding, led by its existing investors SAIF Partners, IDG Ventures, Vertex Ventures and Valiant Capital, which will be used to strengthen technology initiatives and processes of the firm. Housejoy, an online home services provider, has raised Rs 150 crore (US\$ 22 million) in a Series B round of funding led by Amazon, and which also includes new investors such as Vertex Ventures, Qualcomm and Ru-Net Technology Partners. Nasscom Foundation, a non-profit organisation which is a part of Nasscom, has partnered with SAP India to establish 25 National Digital Literacy Mission (NDLM) centres in 12 cities across India, as a part of Government of India's Digital India initiative. Government Initiatives: In the Union Budget 2017-18, the Government of India announced the following key proposals:

The Government of India has allocated Rs 10,000 crore (US\$ 1.5 billion) for BharatNet project under which it aims to provide high speed broadband to more than 150,000 gram panchayats by 2017-18. Prime Minister of India, Mr Narendra Modi, has launched the Bharat Interface for Money (BHIM) app, an Aadhaar-based mobile payment application that will allow users to make digital payments without having to use a credit or debit card. The app has already reached the mark of 10 million downloads. Some of the major initiatives taken by the government to promote IT and ITeS sector in India are as follows: Mr Ravi Shankar Prasad, Union Minister of Law & Justice and Information Technology, has launched a free Doordarshan DTH channel

called DigiShala, which will help people understand the use of unified payments interface (UPI), USSD, aadhaar-enabled payments system, electronic wallets, debit and credit cards, thereby promoting various modes of digital payments.

The Government of India plans to revamp the United Payment Interface (UPI) and— Unstructured Supplementary Service Data (USSD), to make it easier for consumers to transact digitally either with or without an Internet connection with the aim of strengthening its push towards making India a digital economy. The Telecom Regulatory Authority of India (TRAI) will soon release consultation— papers ahead of framing regulations and standards for the rollout of fifth-generation (5G) networks and Internet of Things (IoT) in India. The Government of Gujarat has signed 89 MoUs worth Rs 16,000 crore (US\$ 2.3— billion) in the IT sector, during Vibrant Gujarat Global Summit-2017. The Government of Telangana has signed an agreement with network solutions giant— Cisco Systems Incorporation, to cooperate on a host of technology initiatives, including Smart Cities, Internet of Things, cybersecurity, education digitisation of monuments.

The Railway Ministry plans to give a digital push to the India Railways by— introducing bar-coded tickets, Global Positioning System (GPS) based information systems inside coaches, integration of all facilities dealing with ticketing issues, Wi-Fi facilities at the stations, super-fast long-route train service for unreserved passengers among other developments, which will help to increase the passenger traffic. The Pune Smart City Development Corporation (PSCDCL) has signed a— memorandum of understanding (MOU) with the European Business and Technology Centre (EBTC), which will allow it to gain access to real-time knowledge of technologies, solutions and best practices from Europe. The Human Resource Development (HRD) Ministry has entered into a partnership— with private companies, including Tata Motors Ltd, Tata Consultancy Services Ltd and real-estate firm Hubtown Ltd, to open three Indian Institutes of Information Technology (IIITs), through public-private partnership (PPP), at Nagpur, Ranchi and Pune. Government of India is planning to develop five incubation centres for IoT start-ups,— as a part of Prime Minister Mr Narendra Modi's Digital India and Startup India campaign, with at least two centres to be set up in rural areas to develop solutions for smart agriculture. The Government of India has launched the Digital India program to provide several— government services to the people using

IT and to integrate the government departments and the people of India. The adoption of key technologies across sectors spurred by the 'Digital India Initiative' could help boost India's Gross Domestic Product (GDP) by US\$ 550 billion to US\$ 1 trillion by 2025. India and the US have agreed to jointly explore opportunities for collaboration on— implementing India's ambitious Rs 1.13 trillion (US\$ 16.58 billion) 'Digital India Initiative'.

The two sides also agreed to hold the US-India Information and Communication Technology (ICT) Working Group in India later this year. Road Ahead: India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Social, Mobility, Analytics and Cloud (SMAC) are collectively expected to offer a US\$ 1 trillion opportunity. Cloud represents the largest opportunity under SMAC, increasing at a CAGR of approximately 30 per cent to around US\$ 650-700 billion by 2020. The social media is the second most lucrative segment for IT firms, offering a US\$ 250 billion market opportunity by 2020. The Indian e-commerce segment is US\$ 12 billion in size and is witnessing strong growth and thereby offers another attractive avenue for IT companies to develop products and services to cater to the high growth consumer segment. India's IT market size growing.

## **3.2 COMPANY PROFILE**

**Innoppl**, short for Innovative People, was set up by industry experts in 2009 to provide complete digital and mobile solutions to enterprise and SMBs. With 8 years in the industry, they have formed a team of passionate technologists to provide web and mobile consulting for businesses, and industry experts to provide tailor made solutions in Atlanta and rest of the US. They have successfully delivered complete digital solutions to improve business reach and revenue for plenty organizations and government agencies alike, worldwide. It is an IT development and consultancy firm founded in June, 2009 and is headquartered at Atlanta. It is the brain child of Mr.Saravanan Shanmugam, Rahul Raveendran, Pon Pandian Paulswamy, Sathish Kumar Mariappan and Karthik Kalimuthu. Mytownow Inc. in Atlanta was their first client. Services: The firm provides all-inclusive services in:

- Web design and Development
- Mobile Application Development
- Business Intelligence
- Data warehousing

The company possesses experts in Solid Strategic Approaches, Design, (SEO Copywriting, UX and UI), Mobile/Web application Development and Maintenance. The Solid Strategic Approach includes; Mobile strategies and solutions that engage and unite any business and its audience, business analysis and analytics. Innoppl's design experts are UI and UX designers who are known for ensuring that the products they create for the customers are simple to use for highest user engagement. The design ensures that the brand message is loud and clear.

Innoppl's Design Services includes Mobile app design, UI & UX website design, interaction design, Drupal theming, content strategy and identity development, and video development. Mobile and Web Development Utilizes the latest technologies to build the most successful applications. Innoppl's architects, system engineers, iOS developers, Android developers, and database experts all collaborate to perform client-side and server-side development for various applications and websites. Innoppl's Development Services include Mobile app development (native iOS, Android, & hybrid solutions), website development, content management systems, constituent

relationship management (CRM) integration (Salsa nonprofit online marketing platform), Drupal web development, Magento e-commerce solutions, and WordPress development. The dedicated team of support specialists provides efficient and cost effective ongoing management and support for all of the mobile apps and Drupal or WordPress sites.

The services range from basic site administration to website hosting, updated UX/UI design, fresh SEO content, training, third party service integrations as needed, and more. The Maintenance Services at Innoppl includes Performance improvement, platform upgrade and version control, contract staffing solutions, software updates, data migration. Innoppl's Promise: Our client's success showcases our ability. At Innoppl, we strive to provide optimal digital solutions to improve business reach and revenue. Department Profile: Drupal: Drupal, a free and open source content-management framework written in PHP and distributed under the GNU General Public License, provides a back-end framework for at least 2.2% of all Web sites worldwide – ranging from personal blogs to corporate, political, and government sites. Systems also use Drupal for knowledge management and for business collaboration. The standard release of Drupal, known as Drupal core, contains basic features common to content-management systems.

These include user account registration and maintenance, menu management, RSS feeds, taxonomy, page layout customization, and system administration. The Drupal core installation can serve as a simple Web site, a single- or multi-user blog, an Internet forum, or a community Web site providing for user-generated content. "The Drupal Overview", a feature of the project web site, describes it as a content management framework. Drupal also describes itself as a Web application framework. When compared with notable frameworks Drupal meets most of the generally accepted feature requirements for such web frameworks. As of April 2017 the Drupal community is composed of more than 1.3 million members, including 106,650 users actively contributing, resulting in more than 37,110 free modules that extend and customize Drupal functionality, over 2,445 free themes that change the look and feel of Drupal, and at least 1,116 free distributions that allow users to quickly and easily set up a complex, use-specific Drupal in fewer steps. Although Drupal offers a sophisticated API for developers, basic Web-site installation and administration of the framework require no programming skills. Drupal runs on any computing platform that supports

both a Web server capable of running PHP and a database to store content and configuration. Magento: Magento is an open-source e-commerce platform written in PHP.

The software was originally developed by Varian Inc., a US private company headquartered in Culver City, California, with assistance from volunteers. Varian published the first general-availability release of the software on March 31, 2008. Roy Rubin, former CEO of Varian, later sold a substantial share of the company to eBay, which eventually completely acquired and then spun off the company. On November 17, 2015, Magento 2.0 was released, with an aim to provide new ways to heighten user engagement, smooth navigation, improve conversion rates and overall revenue generation for store owners. It has well-organized business user tools that enhance the user experience of the software. Among the improved features of V2 over V1 are; Table locking issues have been considerably reduced, improved page caching, enterprise-grade scalability, inbuilt rich snippets for structured data, new file structure with easy customization, CSS Preprocessing using LESS & CSS URL resolver, improved performance and better code base are some of the touted benefits of the newer Magento version. Magento employs the MySQL/MariaDB relational database management system, the PHP programming language, and elements of the Zend Framework.

It applies the conventions of object-oriented programming and model–view–controller architecture. Magento also uses the entity–attribute–value model to store data. On top of that, Magento 2 introduced the ModelView-View Model pattern to its front-end code using the JavaScript library Knockout.js. Mobile Application: A mobile application software or mobile app is an application software designed to run on mobile devices such as smart phones and tablet computers. Mobile apps often stand in contrast to desktop applications that run on desktop computers, and with web applications which run in mobile web browsers rather than directly on the mobile device. The term "app" is a shortening of the term "application software". It has become very popular, and in 2010 was listed as "Word of the Year" by the American Dialect Society. In 2009, technology columnist David Pogue said that newer smartphones could be nicknamed "app phones" to distinguish them from earlier less-sophisticated smartphones. Human Resource: The human resources department of a company is responsible for hiring

employees, maintaining employee well-being and dismissing employees when necessary.

Some of the activities of HR department are

- Recruiting,
- Safety,
- Compensation & Benefits,
- Compliance,
- Training & Development.

**Clients:** Some of the Clients are:

- Divers Supply
- Bitpay
- Wallaroo hats
- Smartbrief
- Southeast Pet
- Richards Industries



## CHAPTER – 4

### RESEARCH METHODOLOGY

Methodology is the systematic, theoretical analysis of the methods applied to a field of study. It comprises the theoretical analysis of the body of methods and principles associated with a branch of knowledge.

#### **Type of the data used**

The type of data in the study is the primary data that was collected from the respondents through a structured questionnaire.

#### **Sources of Data:**

Data refers to the information or facts however it also includes descriptive facts, non numerical information, quantitative and qualitative information.

- Primary data
- Secondary data

#### **Primary Data:**

The primary data is collected through well designed structured questionnaire. Data used in research originally obtained through the direct efforts of the researcher through surveys, interviews and direct observation. Primary data is more costly to obtain than secondary data, which is obtained through published sources, but it is also more current and more relevant to the research project.

#### **Secondary Data:**

The secondary data are extracted from websites, books and records maintained by the organization. Secondary data refers to data that was collected by someone other than the user. Common sources of secondary data for social science include censuses, information collected by government departments, organizational records and data that was originally collected for other research purposes.