Achieving Employer Branding through Employee Branding with special reference to Pharmaceutical Sales Industry

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**Abstract**

The present study makes an assumption that employer branding, achieving employee brand commitment and loyalty; entails a change in employees’ attitude towards their job and organization. This change in employee attitude and on-brand behavior can be targeted through employee branding. The objective of this study was to gain an understanding about the concepts of employer branding, employee branding and employee attitude within the pharmaceutical sales industry. The primary data was collected through self completion questionnaire, from Medical Service Representatives (MSRs) of various pharmaceutical companies active in Nashik city market. Results indicate that simply identifying with employer brand does not generate on-brand behavior; for demonstrating brand commitment and loyalty, positive attitude towards job is crucial. The study has implications particularly for service sector where employees and employee branding are drivers of company success.

**Keywords:** Brand Commitment, Brand Loyalty, Employee Attitude, Employee Branding, Employer Branding.

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Introduction

Since their beginnings in 1920’s, brands have come a long way, their definition, influence and functionality has changed throughout the years. Berry (1995) mentions that in mid 1990’s brand studies started focusing not only on consumers but also on employees. It was now comprehended that an organization’s brand promise that it makes to consumers is not only delivered through products and services, but also through the behaviors of the employees, the brand ambassadors who represent the brand with every move of theirs (Schade, 2007).

Employer Branding

The term “Employer Brand” denotes an organization’s reputation as an employer, a process of building unique employer brand that differentiates it from its competitors. Backhaus and Tikoo, (2004) define employer branding as a process that involves promoting, both within and outside the firm, a clear view of what makes a firm different and desirable as an employer. They describe employer branding as a three-step process for any organization; developing Employee Value Proposition (EVP), external marketing and internal marketing. First, a firm develops the EVP that is to be embodied in the brand. After developing EVP the organization then, through external marketing of its employer brand targets to attract potential employees, recruiting agencies and placement counselors. Finally through internal marketing, organization develops a workforce that is committed to the set of values and organizational goals established by the firm.

Employee branding

Identifying the employer brand and determining how to position it in the marketplace is only one part of the solution. The rest of the answer lies in ensuring that employees are demonstrating the value of the brand on a regular basis both inside and outside the organization (Schade, 2007). Miles & Mangold (2004) define Employee Branding as “the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents”. Employee branding is a tactic for generating ‘on brand’ behavior, behavior that expresses and presents the attributes that the organization wants as part of its reputation or brand. As Bach mentions in the book ‘Managing Human Resource: Personnel Management in Transition’ that with employer branding the organization is the identity and the recipients are current and potential
employees; while in employee branding employees are branded and the customers are the recipients of branding through interactions with branded employees.

This research study agrees with Harquail’s (2009) definition of employee branding as the practice of aligning an employee’s behavior and view point with the image that the organization wants to project to its customers and external stakeholders. Thus present study makes an assumption that employer branding, i.e. achieving employee on-brand behavior entails a change in employees’ attitude towards their job and organization. And this change in employees’ attitude can be shaped through employee branding activities. An attitude is a mental and neural state of readiness, organized through experience, exerting a directive or dynamic influence upon the individual's response to all objects and situations with which it is related (Allport, 1935). Thus attitude exerts dynamic or directive influence on behavior, which signifies studying the role of employee attitude with regards to employee on-brand behaviour.

Most of the earlier studies have not explored role of employee’s attitude in generating employee on-brand behaviour. Such examination can be of both, practical & theoretical importance. Since, if employees believe in their work, trust the organization and have a purpose to be part of the business only then can they express to the customer what the organization offers, what it believes in and what it stands for.

**The Key Research Questions:**
Can employer branding, specifically brand knowledge, brand commitment and brand loyalty be achieved through employee branding?
Can a change in employees’ attitude towards job and organization affect on-brand behavior and achieve employer branding?

**Importance of the Study:**
Harquail (2009) sets forth that employee branding, i.e. to get employees display, perform and enact on-brand behaviors can be achieved either, through compliance (asking employees to
comply with certain expectations about their behavior) or through internalization (training employees to internalize the desired attributes so that these attributes are expressed in employees’ behaviors as though the attributes belong to the employees’ themselves). As the work nature moves from physical to intellectual work, employee branding becomes more internalization oriented. The secret of breakaway brands is to first create an absolute brand positioning internally and then tell customers, companies and communities through creative marketing strategy (Punjaisri & Wilson, 2007). The present study assumes that focus on internal brand is the key to external branding, which leads towards more positive conversations about the brand.

The pharmaceutical sales industry, where medical service representatives (MSRs) are expected to exhibit on-brand behavior while they interface on field; needs to realize the fundamental importance of employee branding to establish a positive brand image. If MSRs do not believe in the company's brand and products, they cannot be expected to communicate the company's beliefs and philosophy convincingly. Thus it is necessary to identify important drivers of MSRs on-brand behavior. If MSR’s attitude towards job and organization are set right, brand attributes are internalized, then MSRs would be able to express on-brand behaviour much effortlessly.

Einwiller and Will (2009) consider branding as being concerned with the systematic planned management of behavior in order to attain positive reputation with target audiences of an organization. Since brand acts as a promise between companies and its potential and existing customers, the promise has to be clear internally, and the entire company has to be committed to deliver it on (Tilley, 1991). The present study proposes a model where an internal culture to influence employees’ attitude can be created utilizing employee branding activities, in turn leading to employer branding. The study has implications particularly for service sector where employees and employee branding are drivers of company success.
Review of Literature

Bach (2005) asserts that studies related to how human resource functions translate branding ideas in policies and practices have only recently been discussed. Machtiger (2004) criticized the sole reliance on marketing function for internal brand building, he purports that internal branding requires a broader integrative framework across marketing, management, and human resource disciplines.

A summative definition of employer brand as given by Mosley (2009) from the organization’s perspective has resonance to this current study context. Employer brand is defined as sum up of the key qualities current and prospective employees identify with organization as an employer, whether economic (e.g. compensation and benefits), functional (e.g. learning new skills) or psychological (e.g. sense of identity and status). Employer Branding practices or factors can be divided into internal and external practices (Barrow & Mosley, 2006). External factors include 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. Every organization has both an external and an internal brand.

As employees become more important to the brand building process; the role of human resources management in brand building and internal branding increases in importance. Mahnert (2004) mentions three core elements of internal branding in the literature can be identified. The first element is the reflection of brand values to consumers by committed employees. The second element is the realisation of the brand promise communicated to the internal and external market. The third salient element is the importance of internal branding being multi-direction, i.e. internal branding needs to be applied at all organizational levels in order to align management and staff behaviour and values (Jordan, 2011).

In branding literature, employee role is recognised as crucial in delivering the service as promised by the brand. Punjaisri et al. (2007), insist that latest research on internal branding
phenomenon is focused upon understanding the outcomes of internal branding on employees’ brand supporting behaviors. Their study demonstrated that internal branding instruments have positive influence on employees’ brand attitudes, namely brand identification, brand commitment and brand loyalty. They concluded that internal branding not influences the how employees perform their role in relation to the brand promise, but also influences the employees brand attitudes. Internal branding is found to have a positive impact on attitudinal and behavioural aspects of employees in their delivery of the brand promise. Furthermore, the study shows that brand identification is a driver of brand commitment, which precedes brand loyalty of employees (Punjaisri et al. 2009). When employees think about the employer brand, they first consider the way in which they experience the brand in their routine work i.e. their encounter with brand. Through these experiences, employees model their perceptions and behaviours (Patel et al., 2011).

Objectives of the Study

The research study was undertaken with following objectives

1) To gain an understanding of employer branding and employee branding concepts and study relationship between the two.
2) To identify factors influencing employees on-brand behavior.
3) To study and understand how employee branding activities influence employee attitude towards job and organization, within pharmaceutical sales industry.
4) To study and understand the role of employee attitude towards job and organization in generating on-brand behavior.

Conceptual Model and Hypothesis

On the basis of relationships among variables of interest and combining insights from literature; a conceptual model was proposed as shown in figure 1 and figure 2. The basic assumption of the study was that employee branding activities impacts employee attitude towards job and organization. Employee attitude further shapes employee on-brand behavior in terms of brand knowledge, commitment and loyalty creating an employer brand.
Financial compensation, career growth, work culture & environment were considered as predictors determining employees job attitude, while psychological contract, image of the organizations and internal communication were considered as factors determining attitude towards organization. When employees’ attitude towards their job and organization is set right using employee branding activities, it in turn leads to on-brand behavior.

Figure 2: Conceptual model of hypothetical relationships.
Statement of Hypothesis

Employees’ attitudes, their likes and dislikes towards events and activities in their environment affect their behavior. Attitudes toward supervision, pay, benefits, promotion, relationships with seniors or colleagues or anything related to job or organization can trigger desired or undesired behavior (Noah & Steve, 2012). Applying insights from earlier researches, led to development of two sets of hypotheses. The underlying assumption is that if attitudes are set right through employee branding activities, then achieving on-brand behavior is straightforward.

H1a: Brand knowledge of employee is positively associated to employee’s attitude towards job.
H1b: Brand commitment of employee is positively associated to employee’s attitude towards job.
H1c: Brand loyalty of employee is positively associated to employee’s attitude towards job.

A second set of hypotheses assumes that employee’s attitude towards organization influences employees brand knowledge, commitment and loyalty. Past research indicate that if employee perceives the relationship with organization to be a positive one, then the employees display high levels of commitment (Morgan and Hunt, 1994).

H2a: Brand knowledge of employee is positively associated to employee’s attitude towards organization.
H2b: Brand commitment of employee is positively associated to employee’s attitude towards organization.
H2c: Brand loyalty of employee is positively associated to employee’s attitude towards organization.

A total attitude score greater than 70% was considered as positive attitude; while a score less than 35% was considered as negative.
Research Methodology

A pilot study was conducted to ascertain the strength and reliability of the scales. As the scales were found to have high reliability (refer Table 1), the questionnaire was finalized to be used in main study.

<table>
<thead>
<tr>
<th>Scales</th>
<th>Number of items</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial compensation</td>
<td>4</td>
<td>0.81</td>
</tr>
<tr>
<td>Career Growth &amp; Development</td>
<td>5</td>
<td>0.78</td>
</tr>
<tr>
<td>Work Culture &amp; Environment</td>
<td>5</td>
<td>0.77</td>
</tr>
<tr>
<td>Psychological contract</td>
<td>3</td>
<td>0.78</td>
</tr>
<tr>
<td>Image of the organizations</td>
<td>4</td>
<td>0.76</td>
</tr>
<tr>
<td>Internal communication</td>
<td>4</td>
<td>0.76</td>
</tr>
<tr>
<td>Brand identification</td>
<td>4</td>
<td>0.74</td>
</tr>
<tr>
<td>Brand Commitment</td>
<td>4</td>
<td>0.73</td>
</tr>
<tr>
<td>Brand Loyalty</td>
<td>3</td>
<td>0.74</td>
</tr>
</tbody>
</table>

*Source: Data analysis of this study*

Participants

The primary data was collected from various pharmaceutical companies’ Medical Service Representatives (MSRs) in Nashik city.

Measures

A structured self completion questionnaire was designed that measured MSRs’ satisfaction with employee branding activities, MSRs brand identification, commitment & loyalty and demographic information. Response options for both attitude scales were on five point Likert scale ranging from ‘Highly Satisfied’ to ‘Highly Dissatisfied’. High scores on scales indicated respondent’s satisfaction with respective factor of those scales.
• **Financial compensation:** Employee’s perceptions of fairness and satisfaction with financial compensation and practices strongly influence their attitudes, behaviors and performance on job. This scale was designed to assess the MSR’s satisfaction with their basic salary, allowances, incentives and overall compensation.

• **Career growth & development:** One form of developing employees’ commitment and loyalty is offering growth and development opportunities. Literature suggests that individuals tend to stay longer, committed and loyal where they experience personal and professional growth. This scale was designed to assess the MSR’s satisfaction with opportunities provided for career growth, items included were promotion opportunities, training provided for doing job competently, organization values and makes use of abilities and skills, recognition & appreciation from management and so.

• **Work environment & culture:** There is a significant relationship between culture & work environment towards employees’ attitude to job. This study focuses more on intangible aspect of work environment, in terms of culture and inter-personal relationships rather than physical work environment. Work environment and culture can generate a more favourable work attitude supporting on-brand behaviour. This scale consisted of items like overall supportive & cooperative environment, relationships with seniors & colleagues, involvement in decision making, being respected & valued by management.

The scores of above three scales were added to arrive at a summative score of MSR’s attitude towards job.

• **Psychological contract:** Evaluation of the psychological contract within employee and employer relationship framework includes assessments of contract fulfillment, breach and violation. There exists psychological contract fulfillment when the employer or organization is perceived of keeping its contract terms. When an employee perceives the organization has failed to fulfill one or more of the perceived obligations of the psychological contract, there is a breach of contract. If there is a perceived breach of the psychological contract and the breach is significant, it constitutes a violation (Morrison & Robinson, 1997). In view of Miles & Mangold (2005) if a strong psychological contract is upheld, employees are more likely to project the companies’ brand image externally. This scale measured psychological contract as perceived by MSRs. It consisted of three items; first ‘employer has fulfilled the promised obligations’ (fulfillment), second ‘employer has
failed to fulfill one or more of the perceived obligations’ (breach) and ‘I feel betrayed & frustrated by how I have been treated by my organization ’ (violation).

- **Employee’s image of organization:** Employer brand and image as experienced by employees, shapes their perceptions and behavior (Ahmed et al., 2003). This scale measured employer brand as perceived and experienced by MSRs, the image of the organization and its products, as opposed to the actual image of those organizations in the market. Items included were ‘organization engages in ethical practices’, ‘organization produces high-quality products’, ‘I would recommend others to work for this company’ and so.

- **Internal communication:** The internal communication can assist in framing employees beliefs, values, behaviors and skills required for on-brand behavior. Persistent and coherent internal communication about the organizational values, images and characteristics that reflect the brand; is the key to employer branding activities (Bach, 2005). Internal communication can reinforce and explain the values and behaviors that reflect the brand promise. Employee branding is continuously doing this until these behaviors become second nature of employees. This scale measured internal communication to inform MSRs about company’s goals, their job role and company’s expectation from MSRs.

The scores of above three factors were added to arrive at a summative score of MSR’s attitude towards organization.

Respondents were asked to rate brand knowledge, commitment & loyalty statements, as the extent to which they experienced those factors in themselves, using a five point Likert rating scale, ranging from ‘Strongly Agree’ to ‘Strongly Disagree’. High levels of agreement indicated strong brand knowledge, commitment and loyalty.

- **Brand Knowledge:** It is essential for employees to have sufficient knowledge of the brand to deliver the brand promise. This scale assessed whether MSRs understood the employer brand and believed that the brand differentiated itself from that of competitors. Significance of this scale lies in measuring whether MSRs were aware of and understood what on-brand behavior was expected from them particularly on field.
• **Brand Commitment:** In service sector employees’ commitment in supporting the brand becomes crucial. Kimpakorn and Tocquer (2009) defined employee brand commitment as the degree to which employees identify and are involved with their service brand, are willing to exert additional efforts to achieve the goals of the brand and are interested in remaining with the service organization. This scale measured MSRs' assurance and commitment to on-brand behavior; their faith in employer & the brand and willingness to exert extra efforts towards making employer brand a success.

• **Brand loyalty:** Loyalty is defined as the relationship between an individual's attitudinal predisposition towards an object and the repeat patronage of that object (Bennett et al., 2002). Employee brand loyalty is staying faithful to brand commitment; fulfillment of the promised made to live with the brand. This scale measured respondent’s predisposition towards on-brand behavior, consistency and frequency of this behaviour.

**Results**

The overall response rate was 48% (193 completely filled in questionnaires were received of the 400 distributed). 62% respondents belonged to age group of 25 to 30 years, while 48% of them had an experience between 5 to 10 years.

**Attitude towards job:**

Only 12% of respondents held a positive attitude towards job while a disappointing 45% held negative attitude. According to the study, lack of involvement in decision making that affects the job, lack of career growth opportunities & appreciation from management and less scope for autonomy were major concerns of respondents leading to negative or average job attitude.

**Attitude towards organization:**

51% respondents had neutral while 28% had negative attitude towards organization. Perceiving dissatisfaction with fulfillment of psychological contract on part of organization was contributing to negative attitude. A significant 53% of respondents felt that the organization had failed to fulfill one or more of the perceived obligations. Respondents held a low image of their organizations as 62% were of the view that their organization was just a
Spring board for future employment and 48% would not recommend others to work for the organization. Internal communication was considered satisfactory as most respondents were well informed about their job responsibilities & company’s expectations and also understood the strategies.

Better than average scores were found for respondents’ brand identification & knowledge. A considerable 61% of respondents understood what employer brand was all about, what it stood for, what it projected and how it differentiated itself from that of competitor’s. 68% did not believe in their employer brand and were not willing to put in extra effort and time, moreover respondents (52%) felt that they were not adequately rewarded for on-brand behavior. Overall, respondents’ brand commitment level was more or less average, whereas brand loyalty was low.

Hypotheses Testing
Chi Square test with five percent significance level and degree of freedom four was used to test the hypothetical associations between the variables under study (refer Table 2).

H1a: Brand knowledge of employee is associated to employee’s attitude towards job.

Null hypothesis was accepted stating no association between job attitude and employer brand identification. Brand knowledge and identification was not influenced by job attitude, probable reason could be that brand knowledge was more dependent on internal communication.

Table 2: Results of Hypothesis testing using Chi Square test

<table>
<thead>
<tr>
<th>Hypothesis stating positive association between</th>
<th>Computed $\chi^2$ value</th>
<th>Ha (Alternative Hypothesis)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand knowledge &amp; Attitude towards Job (H1a)</td>
<td>6.7</td>
<td>Rejected</td>
</tr>
<tr>
<td>Brand Commitment Attitude towards Job (H1b)</td>
<td>10.43</td>
<td>Accepted</td>
</tr>
<tr>
<td>Brand Loyalty Attitude towards Job (H1c)</td>
<td>12.67</td>
<td>Accepted</td>
</tr>
<tr>
<td>Brand knowledge &amp; Attitude towards Org (H2a)</td>
<td>12.21</td>
<td>Accepted</td>
</tr>
<tr>
<td>Brand Commitment Attitude towards Org (H2b)</td>
<td>9.87</td>
<td>Accepted</td>
</tr>
<tr>
<td>Brand Loyalty Attitude towards Org (H2c)</td>
<td>8.32</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

Source: Data analysis of this study
H1b: Brand commitment of employee is positively associated to employee’s attitude towards job.
This proposition was accepted, indicating a positive association between commitment and job attitude. Employee willingness to exercise extra efforts towards brand success does depend on how they perceive their job.

H1c: Brand loyalty of employee is associated to employee’s attitude towards job.
Positive association between brand loyalty and job attitude was accepted, it further points out that employees who held positive job attitude will also strive to remain loyal to the employer brand.

H2a: Brand knowledge of employee is positively associated to employee’s attitude towards organization.
This association between employee’s attitude towards organization and brand knowledge stands true. Thus it can be assumed that employee’s image of the organization and effective internal communications are the key to employee brand knowledge and identification.

H2b: Brand commitment of employee is positively associated to employee’s attitude towards organization.
Positive association between brand commitment and attitude towards organization indicated significant role of both, psychological contract and image of the organization as perceived by employees, in brand commitment.

H2c: Brand loyalty of employee is positively associated to employee’s attitude towards organization.
For H2c null hypothesis was accepted stating no association between brand loyalty and attitude towards organization. Strikingly, indications are that psychological contract, image of the organization and internal communications do not influence employee brand loyalty behavior.

Limitations
Owing to small sample size that is restricted to only one city, it may not be appropriate to generalize the findings. Also as data obtained through questionnaires were all self-reports from the participants, responses may have been subject to inconsistency and variance. Attitude and behavior change over time and situation. But as this study is based on data collected only at one point of time, it may not appropriately reflect attitude of employees or investigate overall impact of employee branding.

**Conclusion**

Employer brand is the organization’s image as apparent to current and potential employees; thus whether an organization has defined it or not, it already has an employer brand. The question is whether organization proactively wishes to engage in communicating and delivering the brand, or is it contended with an unclear and inconsistent employer brand by default. The key is in the attitude of employees towards their work and their organization. It is employees’ optional and extra effort that makes the real difference in successful employer branding and getting employees to give that extra effort brings back the discussion to their attitude towards their jobs and organization.

The objective of this study was to understand the influencing role of employees’ attitude in on-brand behavior; to comprehend how employer branding can be achieved through employee branding activities. The study confirms the association of employee attitude with on-brand behavior, particularly when it comes to brand loyalty, job attitude is more significant. Employee job attitude transforms espoused brand commitment into brand loyalty and reality. Feelings and perceptions of positive job attitude are reflected in brand loyalty behaviour. Whereas job attitude, had no role to play in employees brand knowledge and identification. Simply understanding and identifying with employer brand, does not generate on-brand behavior; for demonstrating brand commitment and loyalty, positive attitude towards job is crucial. If employees experience their jobs as rewarding and satisfying, then it encourages them to believe & trust their employer brand leading to brand loyalty and on-brand behavior.
Future Research

Future studies are recommended to focus on prevalence and relationships between the concepts of employee branding, employer branding and employee attitude, to overcome limitations of this study and gain better insights from the Indian perspective.

References


Barrow, Mosley. (2005): The Employer Brand: Bringing the Best of Brand Management to People at Work, Wiley Publications.


