



Conceptualizing and researching employer branding

Employer
branding

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Abstract 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. In recent years employer branding has gained popularity among practicing managers. Given this managerial interest, this article presents a framework to initiate the scholarly study of employer branding. Combining a resource-based view with brand equity theory, a framework is used to develop testable propositions. The article discusses the relationship between employer branding and organizational career management. Finally, it outlines research issues that need to be addressed to develop employer branding as a useful organizing framework for strategic human resource management.

Conceptualizing and researching employer branding

Brands are among a firm's most valuable assets and as a result brand management is a key activity in many firms. Although firms commonly focus their branding efforts toward developing product and corporate brands, branding can also be used in the area of human resource management. The application of branding principles to human resource management has been termed "employer branding." Increasingly, firms are using employer branding to attract recruits and assure that current employees are engaged in the culture and the strategy of the firm. Employer branding is defined 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" (Sullivan, 2004). The employer brand puts forth an image showing the organization as a good place to work (Sullivan, 2004). Many firms have developed formal employer branding or are interested in developing such a program (Conference Board, 2001). The interest in employer branding is evident by numerous articles on the topic in the business and practitioner press (Frook, 2001; Eisenberg *et al.*, 2001). Internet searches using Google and Yahoo! each yield over 3,000 hits for the term "employer branding".

Firms appear to be expending considerable resources on employer branding campaigns, indicating that they are finding value in the practice. According to the Conference Board report on employer branding (Conference Board, 2001) organizations have found that effective employer branding leads to competitive advantage, helps employees internalize company values and assists in employee retention. Despite the growing popularity of the employer branding practice, academic research on the topic is limited to a few articles in the marketing literature. Ambler and Barrow (1996) make a case for the usefulness of employer branding, and report findings of semi-structured depth interviews with respondents from 27 companies about the relevance of branding to human resource management. They conclude that branding has relevance within the context of employment. More recently, Ewing *et al.* (2002) emphasize the usefulness of



employer branding in an increasingly knowledge-based economy where skilled employees are often in short supply.

The popularity of employer branding among practitioners and the lack of academic research on the topic raises interesting questions for management scholars. What theories can help us understand employer branding? How should employer branding be investigated and validated as an appropriate practice for human resource management? We examine these questions in this paper. First, we define employer branding. Then we present a theoretical foundation for employer branding, using both management and marketing literatures. Next, we present a model illustrating the relationships between the management and marketing concepts and develop a set of research propositions. Finally, we present an agenda for researching and establishing employer branding as an effective practice for human resource management.

What is employer branding?

According to the American Marketing Association, a brand is “a name, term, sign, symbol, or design, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors” (Schneider, 2003). Branding was originally used to differentiate tangible products, but over the years it has been applied to differentiating people, places and firms (Peters, 1999). The term employer branding suggests the differentiation of a firms’ characteristics as an employer from those of its competitors. The employment brand highlights the unique aspects of the firm’s employment offerings or environment. Ambler and Barrow (1996) define the employer brand in terms of benefits, calling it “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company.” In a similar vein the Conference Board (2001) proposes, “the employer brand establishes the identity of the firm as an employer. It encompasses the firm’s value system, policies and behaviors toward the objectives of attracting, motivating, and retaining the firm’s current and potential employees”. These definitions indicate that employer branding involves promoting, both within and outside the firm, a clear view of what makes a firm different and desirable as an employer. In this paper, we define employer branding as the process of building an identifiable and unique employer identity, and the employer brand as a concept of the firm that differentiates it from its competitors. We examine employer branding at the organization-wide level.

Human resource practitioner literature describes employer branding as a three-step process. First, a firm develops the “value proposition” that is to be embodied in the brand. Using information about the organization’s culture, management style, qualities of current employees, current employment image, and impressions of product or service quality managers develop a concept of what particular value their company offers employees (Sullivan, 2002). Intended to be a true representation of what the firm offers to its employees, the value proposition provides the central message that is conveyed by the brand (Eisenberg *et al.*, 2001).

Following the development of the value proposition, the firm markets the value proposition to its targeted potential employees, recruiting agencies, placement counselors and the like. External marketing of the employer brand is designed primarily to attract the target population, but is also designed to support and enhance the product or corporate brands. It is fundamental to employer branding that the

employer brand be consistent with all other branding efforts of the firm (Sullivan, 1999).

Internal marketing of the employer brand is the third aspect of employer branding. This is important because it carries the brand “promise” made to recruits into the firm and incorporates it as part of the organizational culture (Frook, 2001). The goal of internal marketing, also known as internal branding, is to develop a workforce that is committed to the set of values and organizational goals established by the firm.

Employer brands are developed to be consistent with the firm’s product and corporate brand. There are some similarities between the employer brand and the product and corporate brand, but there are also two key differences. One, the employer brand is employment specific, characterizing the firm’s identity as an employer. Two, it is directed at both internal and external audiences whereas product and corporate branding efforts are primarily directed at an external audience. In some cases, the employer branding process can be rolled together with the product and corporate brand campaign. For example, in the USA, UPS has recently introduced a new brand campaign entitled “Brown”. Playing on the familiar brown uniforms of UPS drivers, the company has put together a campaign that promotes the flexibility and professionalism of their delivery service and the opportunities they offer as an employer.

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 molded 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. Prêt 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. Prêt 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.

Employer brand associations

Brand associations are the thoughts and ideas that a brand name evokes in the minds of consumers (Aaker, 1991). Brand associations can be verbalized, but also might reside at a more sensory level– in other words, consumers have a feeling about a brand, an emotional response or the memory of a smell, taste or other sensation (Supphellen, 2000). Brand associations are the determinants of brand image. Brand image is defined as an amalgamation of the perceptions related to the product-related/non-product related attributes and the functional/symbolic benefits that are encompassed in the brand associations that reside in consumer memory (Keller, 1993). Product-related attributes describe the product in objective and tangible terms and relate to functional benefits that are derived from using a product or service. Non-product-related attributes represent consumers’ mental imagery and inferences about a product rather than what they think the product does or has and correspond to the symbolic benefits that consumers seek to fulfill their social approval and personal expression needs.

Employer brand image can be defined in analogous terms. Functional benefits of the employer brand describe elements of employment with the firm that are desirable in objective terms, like salary, benefits, leave allowances. Symbolic benefits relate to perceptions about prestige of the firm, and the social approval applicants imagine they will enjoy if they work for the firm. In the context of recruitment, potential applicants will be attracted to a firm based on the extent to which they believe that the firm possesses the desired employee related attributes and the relative importance they place on those attributes.

According to Figure 1, potential employees develop an employer brand image from the brand associations that are an outcome of a firm’s employer branding. As

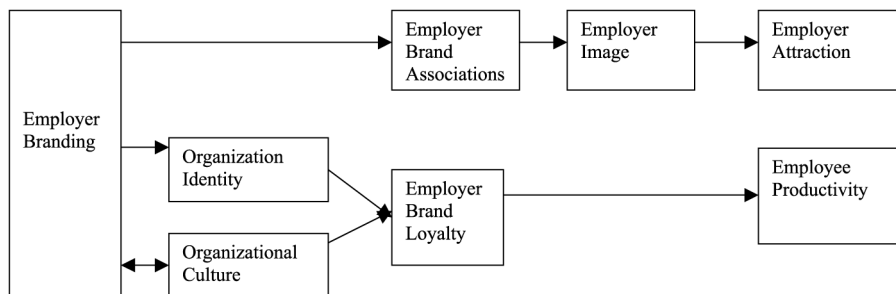


Figure 1.
Employer branding framework

prospective employees also develop employer brand associations based on information sources that are not employer-controlled, effective employer branding takes a proactive approach by identifying desired brand associations and then striving to develop these associations. For example, Railtrack, the British firm that maintains railway service in the UK, staged an employer branding campaign to improve and enliven the associations that potential employees had of their firm as an employer. By emphasizing career flexibility and opportunity, they were able to increase the number of qualified applicants for professional positions by 30 percent (Hutton, 2001).

The practice of crafting and developing desirable brand associations and brand images is supported by a number of areas of recruitment research. First, employer image has been found to influence applicant attraction to the organization (Tom, 1971; Belt and Paolillo, 1982; Gatewood *et al.*, 1993; Turban and Greening, 1997), but the specific aspects of image and how it is derived have not been fully understood (Barber, 1998). One explanation for the role of image in attraction relates to similarity attraction (Byrne and Neuman, 1992) or person-organization fit. Research on person-organization fit indicates that potential applicants compare the employer brand image they have to their needs, personalities, and values. The better the match between the values of the firm and the values of the individual, the more likely the individual is to be attracted to the organization (Schneider, 1987; Cable and Judge, 1996; Judge and Cable, 1997).

Social identity theory provides additional support for the link between employer brand image and attraction. Social identity theory posits that people derive their self-concept from their membership in certain social groups (Tajfel, 1982). The reputation of the group with which we identify contributes to our self-concept (Underwood *et al.*, 2001). Marketing literature supports the concept that product brand equity is strengthened when the brand image resonates with the consumer (Keller, 1998). As brand awareness heightens, consumers begin to develop positive identification with the brand. The more positive the brand is perceived to be, the more highly identified the consumer becomes with the product. As social identity theory suggests, in the end, the consumer purchases the brand because of the positive self-concept that results from feeling membership with the brand. In a similar manner, as potential employees find positive aspects of the employer image, they are more likely to identify with the brand, and will more likely choose to seek membership with the organization for the sense of heightened self-image that membership promises.

The ability to use a brand to convey symbolic benefits to prospective employees makes employer branding especially useful. Much of the strength of branding lies within the power of the symbolism of the brand. A brand can convey meaning beyond tangible benefits (Hirschman, 1980). Symbolic associations, the ideas or feelings represented by a brand, play a significant role in providing meaning in a person's personal and social world (Elliott and Wattanasuwan, 1998). In employment branding, symbolic traits might include organizational attributes like innovativeness or prestige – characteristics that the potential applicant finds interesting or attractive. Branding literature suggests that the importance of symbolic functions increases when functional differences between brands are limited. Often within the same industry job related factors are similar and therefore it is difficult for organizations to differentiate themselves as employers from their competitors (Lievens and Highhouse, 2003). In such an environment, using employer branding to convey the symbolic benefits of working with an organization can be especially useful for developing a favorable

employer image. In support of this contention, Lievens and Highhouse (2003) found that symbolic trait inferences of organizations have incremental value over and above instrumental job and organizational attributes like pay or benefits in explaining a company's perceived attractiveness as an employer.

To recap this discussion, marketing and human resource theory converges to support employer branding. Employer brand associations form brand images, which in turn, affect attraction to the firm. We, therefore, put forth the following propositions:

- P1. Employer brand associations affect the image of the firm as an employer.
- P2. Employer brand image mediates the relationship between employer brand associations and employer attraction.
- P3. Employer brand associations enhance the process of person-organization value matching.

We have discussed the relationship between brand association, brand image and attraction. We now turn to a discussion of the ways in which employer branding can operate effectively and what factors contribute to effective employer branding. While the employer brand markets the symbolic traits of the organization, it also presents a picture of the more pragmatic aspects of employment. During the recruitment phase of employer branding, the organization promulgates statements about employment in their organization, regarding career advancement, challenges and unique opportunities. Intended to attract appropriate candidates, these messages also signal intentions on the part of the firm, and can be interpreted as promises by potential recruits. Recruitment messages, as described by Rousseau (2001) may begin the formation of the psychological contract, which is, as we have discussed, the "subjective beliefs regarding an exchange agreement between an individual . . . and the employing firm and its agents" (p. 512). When the content of the employer brand message contains sufficient and accurate information, it may help to improve the accuracy of the perceptions of the organization by the recruit. According to Rousseau (2001) adequate organizational information reduces reliance on prior notions about the firm or about employment in general.

Accuracy of perceptions about the organization is particularly important because it helps to reduce perceptions of breach of the psychological contract, or worse, violations of the psychological contract on the part of new employees (Robinson and Rousseau, 1994). Violations of the psychological contract, which can be defined as an employee's belief that the organization reneged on its obligations, have been shown to correlate positively with turnover and intentions to quit, reduced job satisfaction, reduced organizational trust, and decreased job performance (see also Robinson *et al.*, 1994; Robinson and Morrison, 1995; Robinson and Rousseau, 1994).

While adequate and honest employer branding messages are important for organizational success, information on realistic job preview suggests that well-balanced messages are also important. Realistic job previews provide negative as well as positive information about the employment opportunity (Meglino and Ravlin, 1999). Research indicates that realistic job preview reduces turnover because it makes expectations more accurate (Locke, 1976), increases trust and perceptions of honesty (Dugoni and Ilgen, 1981) and reduces role ambiguity (Horner *et al.*, 1979). If the

employer brand message is strictly positive, omitting any real, negative organizational information, the firm may not reap positive outcomes that could otherwise be attained.

Organizational culture research provides further support for the assertion that employer brand messages can convey important pre-employment information. Organization culture is important to applicants in making a job choice. Their beliefs about the firm's culture affect the validity of self-selection decisions (Cable and Judge, 1996) and affect their post-entry performance (Schein, 1985). Thus, we argue that employer branding messages should communicate accurate information about the culture. Employer-provided information about organizational culture has been shown to result in applicants' misperceptions of key cultural values (Cable *et al.*, 2000). Employees, who base their job choice on unbalanced information, are more likely to become dissatisfied as a result of unmet expectations and are more likely to quit (Cable and Judge, 1996; Wanous *et al.*, 1992). So, while employer branding can be valuable in the recruiting process, we also propose:

- P4. The employer brand presents information that contributes to formation of a psychological contract between the employer and the employee.
- P5. Accurate information portrayed in the employer brand reduces employee perceptions of breach or violation of the psychological contract.
- P6. Employer branding messages that fail to adequately provide a realistic job preview will contribute to intentions to quit and turnover.
- P7. If the employer brand provides an incomplete picture of organizational culture, employees may be more likely to seek to leave the organization.

Employer brand loyalty

Brand loyalty is the attachment that a consumer has to a brand (Aaker, 1991). A customer loyal to a brand is less likely to switch to another brand, especially when that brand makes a change or is weakened by the competitive actions of other brands. At the heart of brand loyalty is the positive exchange relationship that results from the establishment of trust between the product and the consumer (Morgan and Hunt, 1994). Brand loyalty has two dimensions – a behavioral dimension that represents the consumers' willingness to repurchase the brand and an attitudinal dimension that represents the consumers' level of commitment toward the brand (Chaudhuri and Holbrook, 2001).

Similar to product brand loyalty, employer brand loyalty is the commitment that employees make to their employer. Also similar to product brand loyalty, employer brand loyalty can be conceptualized as being shaped by a behavioral element that relates to organizational culture and an attitudinal element that relates to organizational identity. Employer branding is often used to affect organizational culture and organizational identity, and in turn affect employer brand loyalty. Employer brand loyalty, as conceptualized in the model, is analogous to organizational commitment. Organizational commitment is defined as identification and involvement with the firm, including acceptance of the organization's goals and values, eagerness to work hard, and desire to remain with the firm (Crewson, 1997). In employer branding terms, organizational commitment means that the worker feels attached to the

organization as it is presented in its employer brand. While brand loyal customers continues to purchase a product, even under less than ideal circumstances, brand loyal employees remain with the firm, even when conditions might warrant them to consider other employers.

Research suggests that organizational commitment is related to organizational culture. Organizational culture represents the basic assumptions and values learned by the members of the organization, passed on to newcomers, and evidenced by the ways in which people behave in the workplace (Schein, 1985; O'Reilly, 1989). Culture is continually evolving and acts as a guidepost for employees to mold their behavior to match that of other workers. In their work on corporate cultures, Deal and Kennedy (1982) and Peters and Waterman (1982) suggested that culture and commitment are intricately tied together. Specific types of culture have been shown to relate to heightened levels of organizational commitment (Goodman *et al.*, 2001).

Developing and maintaining a productive and supportive organizational culture is a central task for managers. Inside the organization, internal marketing efforts are aimed at creating a culture that reinforces desired work behaviors and supports individual quality of work life. To accomplish these goals, firms promote the existing "value" of the firms' culture or sometimes use internal marketing to make culture changes. For example, Peoples Energy Corporation used an internal marketing campaign to change its culture (Bergstrom and Anderson, 2001). By modifying the performance management program, workgroups slowly shifted to a team-based work style. As the branding campaign gains momentum, employees buy into the new culture, aligning their behavior with that demanded by the developing norms established by the company. The more the culture supports quality of work life, the more likely the culture will increase organizational commitment (Gifford *et al.*, 2002).

- P8. Employer branding reinforces and changes organizational culture.
- P9. Organization culture mediates the relationship between employer branding and employer loyalty.

Organizational identity is the attitudinal contributor to employer brand loyalty. Defined by Albert and Whetten (1985) as that which is central, enduring and distinctive about an organization, organizational identity is the cognitive image held by organization members about the organization. Organizational identity can be conceived as the collective attitude about who the company is as a group. People seek to identify with their organization, and will do so if they find the organizational identity to be attractive or unique (Dutton *et al.*, 1994). Further, the more positive the identity and the more it contributes to self-esteem, the more workers will identify with the firm (Dutton *et al.*, 1994). Ultimately, as the sense of identification with the organization increases, so does organizational commitment (Crewson, 1997).

While organizational identity is constructed among insiders, it is the result of their interactions with internal and external constituencies (Gioia, 1998). Management can mold insiders' perceptions of organizational identity using organizational goals, policies, and practices (Gioia *et al.*, 2000). Managers can impress their desired organizational images on employees, resulting in fundamental shifts in the way insiders view the firm (Scott and Lane, 2000). The management of Hewlett-Packard has influenced a change in organizational identity by transforming the "H-P way" to

connote a competitive, fast-moving organization, renewing the commitment of workers to their new mission.

P10. Employer branding strengthens organizational identification among employees.

P11. Organizational identity mediates the relationship between employer branding and employer loyalty.

Employer branding seeks to leverage the relationship between employer brand loyalty and employee productivity. A variety of linkages between individual and organizational outcomes have been studied, and these lend credence to the practice of employer branding. First, satisfied employees tend to have higher performance levels (Iaffaldano and Muchinsky, 1985) and provide higher levels of customer satisfaction (Ryan *et al.*, 1996). Generally, positive employee attitudes toward work also positively affect customer satisfaction (Morrison, 1995; Rucci *et al.*, 1997). Heskett *et al.* (1997) call this phenomenon the service profit chain, proposing that worker capability, job satisfaction and commitment are linked to customer's perceptions of value and hence, to profits. The Sears experience, as described by Rucci *et al.* (1997), shows how the creation of an employer brand leads to improved employee attitudes, which in turn affects customer satisfaction and finally, profits. Sears has been able to measure the efficacy of their employer branding efforts, demonstrating the value of this practice.

P12. Employer brand loyalty is positively related to employee productivity.

As we have discussed, employer branding is an effort by the organization to market its employment value proposition in order to improve recruitment and retention and increase the value of human capital. The HR activities subsumed under the employer branding umbrella also support the organizational career management effort. As defined by Schein (1978), organizational career management is a planned effort by the firm to link individual career needs with the organizations' work flow needs (Tzabbar *et al.*, 2003). Organizational career management researchers have observed that responsibility for career management has shifted from the firm to the individual (Arthur and Rousseau, 1996) and that organizations are becoming less likely to design internal career programs (Tzabbar *et al.*, 2003). Further, there have been calls for organizations to align their career management systems with new paradigms that take into consideration the turbulent business environment (Baruch, 2003). While not specifically designed as a career management program, employer branding begins to address the fast changing employment environment and career needs. First, as addressed earlier, employer branding communicates career expectations in terms of advancement, variety of work and relationships among workers, aspects of career development addressed in Schein's (1971, 1978) cone model. For example, Unilever developed their "Path to Growth" program to promote their career opportunities to future leaders and managers (Career Innovation, 2004). Their value proposition involved opportunities for vertical advancement, as well as circumferential advancement as described by Schein (1978).

Second, employer branding is designed to provide employees with information they need to self-assess once inside the organization. The presence of the brand image inside the organization provides information to incumbents about desired behaviors, work

norms, and other factors necessary for success. Internal marketing of the brand message supports self-monitoring by employees, an example of how organization can help to link individual career needs with organizational opportunities and hence, manage careers (Dalton, 1989). According to Baruch and Peiperl (2000), “in the best case, organizations and individuals will both play a role in career management and will share important information about opportunities and links to be pursued for the benefit of both “ (p. 364). Employer branding may help to provide those links.

Further, the integrating role played by the internal marketing of the brand serves to develop human capital within the organization. In this respect, employer branding becomes an exercise in promoting the importance of individual career development within the organization. Without career advancement, individuals lose their competitive edge, and so does the firm (Rosenbaum, 1989).

Baruch (2004) describes the career active system triad (CAST), a conceptual framework for understanding the intersection between individual and organizational career systems. The employer branding process parallels the CAST framework, putting into operation three organizational factors and three individual factors. On the individual side, CAST recognizes that individuals have career aspirations that are influenced in part by attitudes, both of which drive people to action to pursue career activities. Baruch (2004) describes the organizational side as combining organizational philosophy, policy and practices related to career practices to develop their human resource function.

As we have outlined, employer branding reflects the organizational human capital philosophy. For example, Chicago’s Peoples’ Energy Corporation transformed its philosophy of meeting individual needs into their “Energy for You” program. Peoples’ Energy needed to develop an enhanced customer service image for their external audience, while reinforcing their employment image as an employer offering job satisfaction and challenging work (Bergstrom and Anderson, 2001). Peoples’ Energy developed a host of policies consistent with their philosophy. Their policies were reflected in their numerous career-related programs introduced to their employees, including an employee skill development program, an employee satisfaction program, and a rewards program.

The Peoples’ Energy case provides a good example of the relationship between employer branding and organizational career management. Employer branding is focused on strategic alignment of human capital with organizational goals (Sullivan, 2004). Similarly, organizational career management frameworks like CAST focus on meeting organizational needs by meeting individual employee career development needs. Thus we propose:

P13. Employer branding provides a framework, and support, for the organizational career management program.

Research agenda

In the preceding section we provided a theoretical foundation for employer branding. In this section we outline a research agenda for developing and validating employer branding as a useful practice for human resource management.

First and foremost research needs to be conducted into how firms should develop and implement effective employer branding. Specifically, what process should be used to develop the underlying value proposition of the employer brand? What tools and

techniques should be used for the external and internal marketing of the employer brand? What are the impediments to maintaining consistency between the external and internal marketing of the brand? How can these impediments be managed?

Research needs to examine the extent to which employer branding activities complement or supplant other HR practices. Likewise, how should employer branding, product branding, and corporate branding activities be coordinated. How does each brand campaign enhance or detract from the other? How do the inter-relationships among the product, employer, and corporate brand vary by the type of industry and market? For example, many firms in the business-to-business to market do not have widely recognized product and corporate brand names. For such firms an employer branding effort will be much more involved than for firms that are already identified through their product and corporate brands.

Traditionally, branding has been the domain of the marketing function. What role, if any, should marketing play in employer branding? If marketing has a role to play, how should the human resource-marketing interface be managed (Ewing and Caruana, 1999)?

In the global economy should the employer brand be standardized across the different subsidiaries of the firm or should be adapted to the specific environments of different countries. What are the relative advantages and disadvantages of these two approaches?

Once employer branding is initiated it needs to be carefully managed for it to be effective. This requires measuring the assets created by employer branding and the impact of employer branding on firm performance. As indicated in the previous section, employer branding creates two principal assets – employer brand associations and employer brand loyalty. The marketing literature provides directions for measuring brand associations and brand loyalty (Keller, 1993).

According to Ambler and Barrow (1996) the most interesting research question is whether employer branding helps a firm achieve better performance. This, of course, is a complicated question. It is often difficult to examine a direct link between human resource management programs and firm performance. It is easier to determine the extent to which the program has made an impact on particular firm resources, like human capital or the behavior of the employees (Wright *et al.*, 1994). In other words, it would be necessary to identify the mediators that operate between the employer branding program and the firm's profit margin or profit growth. Thus, more relevant and measurable questions might include: do firms using employer branding experience improved recruitment outcomes; is employee retention improved? Is employee productivity improved? Is employee satisfaction improved? Researchers might conduct longitudinal studies to track changes in recruitment, retention and satisfaction outcomes before and after implementing employer branding. The Conference Board (2001) study gathered anecdotal evidence of branding success. Thus, one appropriate measure of employer branding success may be qualitative measurements of incoming employees' skills, knowledge and ability. A second measure may be something as simple as the turnover rate – has retention increased since the inception of the branding campaign? However, in many ways, retention of employees may not be as important as their behavior at work. Firms engaging in employer branding may measure success via incremental increases in individual level productivity, or overall productivity at the aggregate level.

How do potential and incumbent employees perceive a firm that engages in employer branding? Job seekers use a variety of information sources in their job choice

process – sources that go beyond the information managed by the firm. What happens if the employer branding campaign differs significantly from popular perceptions of the firm? How does inconsistency between employer brand image and corporate image affect job seekers? Similarly, what is the effect of the internal marketing campaign when job incumbents perceive material differences between their experience and the brand message? To have a better understanding of the practice of employer branding, research should be conducted comparing perceptions of the employer brand message and the general reputation of the corporation. Researchers might explore the role of the employer brand in influencing the psychological contract of workers. To what extent do workers use the employer branding message as a foundation of their psychological contract? What are the consequences of perceived breaches or violations of the promises made in the employer brand message?

We also discussed the nexus of human resource management, employer branding activities, and organizational career management. To what extent does the employer branding process feed into organizational career management? Does the external and internal marketing of an employer brand provide individuals with the information they need to plan and execute their career path? Can the activities subsumed under the employer brand umbrella take the place of the organizational career management practices that have become less commonly practiced?

Environmental conditions might also be investigated in terms of their interaction with employer branding. How does employer branding operate in different economic circumstances? Employer branding caught the interest of organizations while there was a tight labor market. How will employer branding function in a slack labor market that is filled with unemployed professionals laid off from major corporations?

Conclusion

Employer branding is a relatively new approach toward recruiting and retaining the best possible human talent within an employment environment that is becoming increasingly competitive. Employer branding has the potential to be a valuable concept for both managers and scholars. Managers can use employer branding as an umbrella under which they can channel different employee recruitment and retention activities into a coordinated human resource strategy. Integrating recruitment, staffing, training and development and career management activities under one umbrella will have a substantially different effect than each of the processes would have alone.

The value of the employer branding concept for management scholars parallels the value it has for managers. Management scholars can use employer branding to integrate many different but related constructs that have been discussed in the recruiting, selection, and retention literatures under one umbrella. The employer branding concept can be especially valuable in the search for an organizing framework for strategic human resource management.

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