

# EMPLOYER BRANDING AND IT'S IMPACT ON EMPLOYEE RETENTION IN PHARMACEUTICAL INDUSTRY OF GUJARAT

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## ABSTARCT

*In this time, Talented and faithful Employees is a basic resource of World-wide associations. To pull in and retain the correct ability is vivacious assignment for every single association. Prior, Organizations were just advancing themselves before clients however with the expanding war of skill; companies have begun picking up notoriety according to representatives and potential candidates as Great Employer to work with. The study has been attempted to comprehend the effect of hierarchical practices to appeal and hold on Employer Branding. 424 members (424 representatives of Pharmaceutical Industry) have been taken as test of the examination. The information is gathered with the assistance of structured survey and is analysed utilizing Smart PLS(Partial Least Square).*

**Keywords:** Employee Retention, Organisational attractiveness, Employer Branding, Millennial, Organisational belongingness

## INTRODUCTION

Inadequacy of all around qualified and competent agents in current circumstance makes the need to attract and hold the helpful specialists as the most smoking Human Resource issue for all the affiliations. Over the time allotment, the affiliation has started giving highlight on its HR for better execution. Precisely how to gain customers, you need to make constructive character in the minds of customer, the capacity pool is also extended by planting helpful character of the affiliations. All associations have drawn some character on the demeanour of the impressive number of accomplices. In this genuine presence where the organisations are being judged and surveyed on various regions nearby how and what things and organizations affiliations are offering, HR masters' huge task is to grandstand the organisation's image as "an alluring business" in the minds of all collaborators and delegate all around organized procedures and win them by managing skilled able specialists. Allurement of Employer/Employer's attractiveness is defined as —the envisioned benefits that a potential employee sees in working for a specific organization and it is the most challenging task for Human Resource Department. Along these lines, productive trials, consistent progress and endeavours have been relied upon for HR to showcase as a business according to workers and potential representatives to be "great employer to work with".

## **Employer Branding**

The topic Employer Branding was invented by Ambler in 1996 in the context of Application of techniques of brand management in UK organisations. According to Ambler, An attractive employer branding means the process of providing psychological, economic and financial benefits to the current working employees to connect potential applicants to the employer (Ambler T. S., 1996). Employer Branding is where ways of thinking of advertising, explicit the "study of marketing", is applied to HR activities for present and potential representatives. Employer Branding idea is applied to make better work involvement in a supposition that when employees experience with the organisation, it upgrades the estimation of the business and impact potential representatives to connect with. Employer Branding helps the connotation in expanding information sharing among workers and furthermore helps in expanding competitive advantage of the association.

## **Employer Branding in Global Perspective**

Organisations have begun understanding the significance of right proficients in the achievement of the association. To make techniques of obtaining and retaining the correct workers, organisations must comprehend what representatives need from a business and that is the initial step of manager marking. An exhaustive overview of 175,000 salaried grown-ups in 30 countries about their business inclinations, we see changes in perspectives that demonstrate employees need more than an alluring compensation and advantages. Over half of the representatives lean toward Job Security over Compensation and Benefits as most significant factor while picking the association to connect with (Report, 2018). A decent work-life balance, vocation advancement possibilities and adaptable work commitment are progressively significant characteristics they look for in a potential boss.

## **LITERATURE REVIEW ON EMPLOYER BRANDING**

### **Meaning**

Backhaus and Tikoo discussed Employer Branding as "Differentiation of a firm's characteristics as an employer from those of its competitors, the employment brand highlights the unique aspects of the firm's employment offerings or environment" (Backhaus, 2004).

Sullivan explained Employer Brand as, "a targeted strategy to manage mindfulness and perceptions of employees, potential applicants and other related stakeholders of a particular organization" (Sullivan, 2004).

To elaborate the concept, Miles (Miles S. a., 2004) has defined employer brand as "the procedure by which employees masquerade the ideal brand picture and are inspired to extend the picture to clients and other authoritative constituent".

### **Factors affecting Employer Branding**

The elements while picking the associations to connect with differs as socioeconomics of the potential enlisted people changes. Inclination of significant components contrast as the ages changes. Like, Millennial want to work in groups however, the individuals brought into the world after WW2 have supported the request. (Gilbert, September,2011)Age X favors pay and work life balance. Where, Baby boomers lean toward sufficiency and security (Employer Branding, 2013)). The other demographical factor that changes the impression of workers while choosing the business is sexual orientation. Male and female anticipate that various develops should be in their positive managers' practices. The examination on Employees desires from manager (on 100 chosen organizations in Sri Lanka) discovered that female respondents all things considered stressed over versatile working methods, an extraordinary work-life balance, settlement of the work space and an awesome working environment while picking the relationship to work with. Where Men look for association for organisation with stable assets, future possibilities, extraordinary organization, overall expert victories, Training and developmental undertakings and nature of the things/organizations affiliation offer.

(P. Brosi • I. M. Welp, 2014)The investigation set up that imperative variables for Post Doctorate academicians were the relationship with Guide and general preparing openings in the examination of what pulls in global post docs as the business culture and work of Academicians would be altogether different.

(Neeti Leekha Chhabra, 2014)clarifies the fundamental factor is the hierarchical Culture, Brand name pay despite everything hold the most elevated positions with regards to engaging quality elements.

### **Impact of Employer Branding**

(Edward, February,2010)Shows If the association shows excessively positive picture of the organisation, the allure as a business would be higher and desires for the potential candidates would be higher about the authoritative qualities. The organisations, which are working for Society and having high notoriety in doing corporate social obligation have more tendency by the potential representatives.

(Tarek A. Al Badawy, 2015)Authors have focused more on EB and it's impact (Motivation and Retention). Results demonstrated that there is a feeble inconsequential, yet, a positive connection between Employer Branding and goal to remain in the association, which was negating of the prior investigations. Results indicated a moderate positive connection between Employer Branding and inspiration to associate with company is factually remarkably vast.

### **IDENTIFICATION OF GAPS**

The review of the literature has revealed that study on impact of Employer Branding on Current working employees has not been focused much in research so far. To fill this gap,

this research will mainly focus on impact of Employer Branding practices on employees' perception towards Employee Retention in Pharmaceutical industry in Gujarat.

## OBJECTIVES

1. To analyse the perception of employees of Pharmaceutical industry towards Employer Branding.
2. To analyse the impact of employees' perception towards Employer Branding practices on Employee Retention.

## RESEARCH METHODOLOGY

The research design is descriptive and causal research design in nature. The primary data is collected with the help of structured questionnaire from the employees working in Pharmaceutical Industry in Gujarat. The sample units in total 424 responses are collected. For data collection, non-probability convenience sampling method is used. The secondary data is collected from journals, research articles, industry publications, etc. For analysing the collected sample, Regression model through PLS is used to analyse the purposes of the sresearch. The test is performed in Smart PLS 3.0 software.

## ANALYSIS & FINDINGS

### Descriptive Analysis

The descriptive analysis is performed on 424 responses collected. The results are presented in the Table no.1.

*Table no. 1: Profile of Employees*

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	382	91.1
Female	42	9.9
Total	424	100.0
<b>Educational Qualification</b>	<b>Frequency</b>	<b>Percent</b>
Doctorate	52	12.3
Post Graduate	252	59.4
Professional	72	17.0
Graduate	48	11.3
Under Graduate	52	12.3
Total	424	100.0

The results presented in table no. 1 shows that demographic nature of the respondents. Out of the 424 respondents, 382 are male and 42 are female. 52 out of the 426 respondents are having the qualification of Doctorate.

**Hypothesis:****H01: Perception of Employees towards Compensation & Benefits does not not impact Employer Branding.**

H01.1: Perception of employees towards salary offered by the organisation is high does not impact Compensation & Benefits.

H01.2: Perception of employees towards organisation providing good health benefits does not impact Compensation & Benefits.

H01.3: Perception of employees towards organisation providing insurance coverage for employees and dependents does not impact Compensation & Benefits.

**H02: Perception of Employees towards Ethics & CSR does not impact Employer Branding.**

H02.1: Perception of employees towards organisation has fair attitude towards employees does not impact Ethics & CSR.

H02.2: Perception of employees towards organisation has rules and regulations which employees are expected to follow does not impact Ethics & CSR.

H02.3: Perception of employees towards organisation as humanitarian organisation does not impact Ethics & CSR

H02.4: Perception of employees towards confidential procedure to report misconduct at work does not impact Ethics & CSR.

**H03: Perception of employees towards Healthy Work Environment/Atmosphere does not impact Employer Branding.**

H03.1: Perception of employees towards organisation providing autonomy to the employees to take decision does not impact Healthy Work Atmosphere.

H03.2: Perception of employees towards organisation providing opportunity to enjoy a group atmosphere does not impact Healthy Work Atmosphere.

H03.3: Perception of employees towards organisation recognises when the employees do good work does not impact Healthy Work Atmosphere.

H03.4: Perception of employees towards organisation offering relatively stress-free work environment does not impact Healthy Work Atmosphere.

H03.5: Perception of employees towards organisation offering opportunity to work in teams does not impact Healthy Work Atmosphere.

**H04: Perception of employees towards Training & Development does not impact Employer Branding.**

H04.1: Perception of employees towards organisation providing online courses to employees does not impact Training and Development.

H04.2: Perception of employees towards organisation organising various conference, workshops and training programme on regular basis does not impact Training and Development.

H04.3: Perception of employees towards organisation offering opportunities to work on foreign projects does not impact Training and Development.

H04.4: Perception of employees towards organisation investing heavily training and development for employees does not impact Training and Development.

H04.5: Perception of employees towards skill development is a continuous process in organisation does not impact Training and Development.

H04.6: Perception of employees towards organisation communicating clear advancement path for employees does not impact Training and Development.

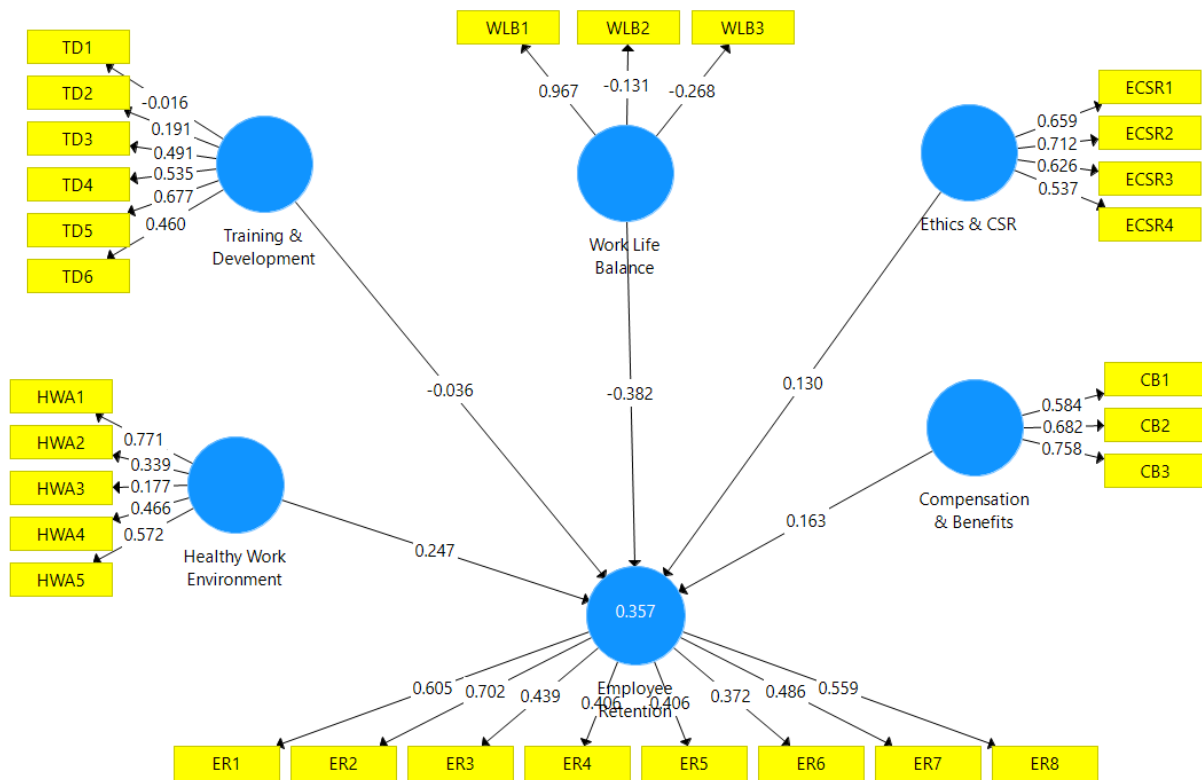
**H05: Perception of employees towards Work Life Balance does not impact Employer Branding.**

H05.1: Perception of employees towards organisation providing flexible working hours does not impact Work Life Balance.

H05.2: Perception of employees towards organisation providing opportunities to work from home does not impact Work Life Balance.

H05.3: Perception of employees towards organisation providing on-site sports facilities does not impact Work Life Balance

**Employee Retention Model:**



**R2 Values**

All the mediating constructs like Healthy work atmosphere, Training and Development, Work Life Balance, Ethics and Corporate Social Responsibility and Compensation & Benefits have collective outcome on Employee Retention with R2 values of 0.357. This divulges the fact the structural model for Employee Retention has analytical relevance. Further, the examination of the adjusted R Square value of Employer Branding is 0.350, which showcases the analytical relevance of the variables with Employee Retention.

R Square	R Square	Adjusted
Employee Retention	<b>0.357</b>	<b>0.350</b>

**Total Effects on Employee Retention**

Hypothesis	Path	T Statistics ( O/STDEV )	Path Co-efficient	Decision
1-5				
H <sub>01</sub> : Compensation & Benefits does impact on Employee Retention	Compensation & Benefits	3.804	0.163	Supported
H <sub>02</sub> : Ethics & CSR does impact on Employee Retention	Ethics & CSR	3.008	0.130	Supported
H <sub>03</sub> : Healthy Work Environment does impact on Employee Retention	Healthy Work Environment	6.301	0.247	Supported
H <sub>04</sub> : Training & Development does impact on Employee Retention	Training & Development	0.851	-0.036	Not Supported
H <sub>05</sub> : Work Life Balance does impact on Employee Retention	Work Life Balance	9.198	-0.382	Supported

t-values for two-tailed test: \*p<0.05, \*\*p<0.01, \*\*\*p<0.001



**Outer Loading**

	Compensation & Benefits	Employee Retention	Ethics & CSR	Healthy Work Environment	Training & Development	Work Life Balance
CB1	0.584					
CB2	0.682					
CB3	0.758					
ECSR1			0.659			
ECSR2			0.712			
ECSR3			0.626			
ECSR4			0.537			
ER1		0.605				
ER2		0.702				
ER3		0.439				
ER4		0.406				
ER5		0.406				
ER6		0.372				
ER7		0.486				
ER8		0.559				
HWA1				0.771		
HWA2				0.339		
HWA3				0.177		
HWA4				0.466		
HWA5				0.572		
TD1					-0.016	
TD2					0.191	
TD3					0.491	
TD4					0.535	
TD5					0.677	
TD6					0.460	
WLB1						0.967
WLB2						-0.131
WLB3						-0.268

Hypothesis Tests	Original Sample (O)	Factor Loading)	T Statistics ( O/STDEV )	Decisions
1.1. CB1 does impact on C&B	CB1 <- Compensation & Benefits	0.584	8.000	Supported
1.2 CB2 does impact on C&B	CB2 <- Compensation & Benefits	0.682	10.200	Supported
1.3 CB3 does impact on C&B	CB3 <- Compensation & Benefits	0.758	12.019	Supported
6.1 ER1 does impact on ER	ER1 <- Employee Retention	0.605	8.261	Supported
6.2 ER2 does impact on ER	ER2 <- Employee Retention	0.702	9.409	Supported
6.3 ER3 does impact on ER	ER3 <- Employee Retention	0.439	7.643	Supported
6.4 ER4 does impact on ER	ER4 <- Employee Retention	0.406	5.675	Supported
6.5 ER5 does impact on ER	ER5 <- Employee Retention	0.406	13.587	Supported
6.6 ER6 does impact on ER	ER6 <- Employee Retention	0.372	18.388	Supported
6.7 ER7 does impact on ER	ER7 <- Employee Retention	0.486	7.842	Supported
6.8 ER8 does impact on ER	ER8 <- Employee Retention	0.559	6.595	Supported
2.1 ECSR1 does impact on ECSR	ECSR1 <- Ethics & CSR	0.659	6.545	Supported

2.2 ECSR2 does impact on ECSR	ECSR2 <- Ethics & CSR	0.712	4.898	Supported
2.3 ECSR3 does impact on ECSR	ECSR3 <- Ethics & CSR	0.626	8.728	Supported
2.4 ECSR4 does impact on ECSR	ECSR4 <- Ethics & CSR	0.537	11.683	Supported
3.1 HWA1 does impact on HWA	HWA1 <- Healthy Work Environment	0.771	12.934	Supported
3.2 HWA2 does impact on HWA	HWA2 <- Healthy Work Environment	0.339	2.797	Supported
3.3 HWA3 does impact on HWA	HWA3 <- Healthy Work Environment	0.177	1.288	Not Supported
3.4 HWA4 does impact on HWA	HWA4 <- Healthy Work Environment	0.466	5.057	Supported
3.5 HWA5 does impact on HWA	HWA5 <- Healthy Work Environment	0.572	6.463	Supported
4.1 T&D1 does impact on T&D	TD1 <- Training & Development	-0.016	0.069	Not Supported
4.2 T&D2 does impact on T&D	TD2 <- Training & Development	0.191	0.905	Not Supported
4.3 T&D3 does impact on T&D	TD3 <- Training & Development	0.491	2.463	Supported
4.4 T&D4 does impact on T&D	TD4 <- Training & Development	0.535	2.873	Supported
4.5 T&D5 does impact on T&D	TD5 <- Training & Development	0.677	4.120	Supported
4.6 T&D6 does impact on T&D	TD6 <- Training & Development	0.460	2.436	Supported

5.1 WLB1 does impact on WLB	WLB1 <- Work Life Balance	0.967	26.070	Supported
5.2 WLB2 does impact on WLB	WLB2 <- Work Life Balance	-0.131	0.856	Not Supported
5.3 WLB3 does impact on WLB	WLB3 <- Work Life Balance	-0.268	1.773	Not Supported

### Reflections of the study:

To discuss about the constructs of Employer Branding, all endogenous variables have been selected from the scale of Berthon et.al (2005). Berthon has industrialized a scale which was approved by the expert before starting the data collection. After analysing the reliability of the data Smart PLS has been used on the records to create a theoretical framework of Impact of Employer Branding on Employee Retention. The following discussions are the constructs and the results of SEM.

#### 1. Compensation & Benefits:

In an organisation, to attract and retain the human resource the most used method is to provide better package of compensation & Benefits. Compensation includes the pay delivered by an employer to an employee for concentrated services in the organisation: it includes time, skills, and efforts. Berthon has verified that Compensation & Benefits provided by the organisation are the construct of Employer Branding.

For the data of 424 employees, all the statements have impact on Compensation & Benefit as a construct as all the T-statistics value is more than 1.96, so we reject the null hypothesis that  $H_{01.1}$ - $H_{01.3}$  does impact Compensation & Benefits.

To further elaborate, Compensation & Benefit has path co-efficient more than 0.1(0.163) and T-Statistics more than 1.96 (3.804). So we can prove that compensation & Benefits has impact on Employee Retention

#### 2. Ethics & CSR:

Gaining attention through Corporate Social Responsibility is trending preach adapted by organisations. Generally it is multidimensional practice for the organisation. There have been various trainings done to prove that Ethics and CSR practice are integral part of Employer Branding.

For the data of 424 employees, all the statements have impact on Ethics and CSR as a construct as all the T-statistics value is more than 1.96, so we reject the null hypothesis that  $H_{02.1}$ - $H_{2.4}$  does impact Ethics & CSR.

To further elaborate, Ethics & CSR has path co-efficient more than 0.1(0.130) and T-Statistics more than 1.96 (3.008). So we can prove that Ethics & CSR has impact on Employee Retention.

### 3. Healthy Work Environment

For the data of 424 employees, all the statements have impact on Healthy Work Environment as a construct as all the T-statistics value is more than 1.96, i.e. 11.020, 2.691, 4.445, 2.855 except Perception of employees towards organisation recognises when the employees do good work does not impact Healthy Work Atmosphere, so we reject the null hypothesis that  $H_{03.1}$ ,  $H_{03.2}$ ,  $H_{3.4}$  does impact Healthy Work Environment and  $H_{03.3}$ . Perception of employees towards organisation recognises when the employees do good work does not impact Healthy Work Atmosphere.

To further elaborate, Healthy Work Environment has path co-efficient more than 0.1(0.247) and T-Statistics more than 1.96 (6.301). So we can prove that Healthy Work Environment has positive impact on Employee Retention.

### 4. Training & Development

Growth prospects is generally every employee wants in his professional career. For the data of 424 employees, all the statements have impact on Training & Development as a construct as all the T-statistics value is more than 1.96, except Perception of employees towards organisation providing online courses to employees & Perception of employees towards organisation organising various conference, workshops and training programme on regular basis, so we reject the null hypothesis that  $H_{04.3}$ ,  $H_{4.4}$ ,  $H_{4.5}$  does impact Training & Development and  $H_{04.1}$ ,  $H_{04.2}$ . Perception of employees towards organisation providing online courses to employees does not impact Training and Development & Perception of employees towards organisation organising various conference, workshops and training programme on regular basis does not impact Training and Development.

To further elaborate, Training & Development has path co-efficient less than 0.1(-0.036) and T-Statistics less than 1.96 (0.851). So we can prove that Training & Development has not significant impact on Employee Retention.

### 5. Work Life Balance

For the data of 424 employees, all the statements have impact on Work Life Balance as a construct as the T-statistics value is more than 1.96, except Perception of employees towards organisation providing opportunities to work from home does not impact Work Life Balance. & Perception of employees towards organisation providing on-site sports facilities does not impact Work Life Balance.

So, we reject the null hypothesis that  $H_{05.1}$  does impact Work Life Balance and,  $H_{05.2}$ ,  $H_{05.3}$  Perception of employees towards organisation providing on-site sports facilities does not impact Work Life Balance, Perception of employees towards organisation providing opportunities to work from home does not impact Work Life Balance

To further elaborate, Healthy Work Environment has path co-efficient less than -0.1(-0.382) and T-Statistics more than 1.96 (9.198). So we can prove that Work Life Balance has negative impact on Employee Retention.

## CONCLUSION

From the study it can be concluded that the impact of Healthy Work Environment, Ethics & CSR and Compensation & Benefit have more on the positive impact on Employee Retention. While Work Life Balance has negative impact on Employee Retention On the basis of the test results, it can be concluded that most of the employees' perception towards retention practices leads to constructive impact on Employee Retention in pharmaceutical industry except Training & Development. The perception of employees towards the amenities done by these companies is on appropriate satisfaction level.

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