

## EMPLOYER BRANDING IN INDIAN IT COMPANIES

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**Abstract:** *Economic activity in the emerging markets growing at compounded rates of 40% as compared to the 2% or less in western countries and Japan. The increasing global shortage of talent driven by the ageing population, technological advances, increased mobility of workers, declining fertility rates, and an increase in culture diversity in the organizations are some of the reasons when employer branding is now high on the leadership agenda. To attract and retain the future and existing human capital, several employers try branding themselves. This paper presents the concept of employer branding in Indian IT companies. IT and ITES has been one of the fast growing industries in India and hence has triggered a Talent war among the players in the industry and poaching is very common. Employer branding is used as an important initiative to both attract and retain the human capital. An approach to employer branding in various organizations is also reviewed. It also includes the various branding practices and initiatives used by Indian IT companies.*

**Keywords:** *Employer branding, IT companies.*

### I. INTRODUCTION

Employer branding, the latest buzzword to describe perceptions of an organization as an employer is being heralded in areas of the press as the answer to attracting and retaining the right talent in an increasingly competitive environment. It is the combination of factors that differentiate the organization as an employer and shape the perceptions of past, current and future employees. Brands are among a firm's most valuable assets and as a result brand management is a key activity in many organizations. Although organizations commonly use branding for developing a product, the branding can also be used in the area of human resource management. According to Dr. Suchi Priya, application of the branding principles to human resource management has been referred as "Employer Branding". Employment branding communicates the identity of an organization to others. It can be regarded as the enclose of the functional, economical and psychological benefits provided by the employment. (Barrow, 2001). It is the essence of what the organization stands for and should typify the fundamental nature of the organization. This is the process

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of placing an image of being a “great place to work” in the minds of existing and prospective employees. Employee Value Proposition (EVP) is at the heart of the Employment branding. EVP is influenced by the culture, environment, leadership, organization’s values and talent. Employment branding is both internally and externally promote a clear view of what makes a firm different and desirable as an employer (Lievens, 2007). According to Estis.R (2008), goals for Employer branding for attracting and retaining Generation Next are:

1. Establish an image of the employment experience.
2. Create synergy with consumer brand; align promise to customer with promise to employee.
3. Clearly state “what’s in it for me” to potential applicants.
4. Entice the right candidates to apply for the job [1].

Backhaus & Tikoo (2004, p. 501) finds that “Employer Branding represents a firm’s efforts to promote a clear view of what makes it different and desirable as an employer both with in and outside the firm. This definition sees those two different elements are under the top block of the pyramid -Employer Branding. Mishra (2008) defined Employer as the process of creating an identity and managing the company’s image in its role as an employer. The organization brand lives in the minds of the customers and its employees.

### **1.1. Key Points for Effective Employer Brand**

The existing culture, prevailing attitudes and the experience at the workplace have an important role in the process of establishing successful employer brand and people to find resonance with an organisation. It is a long term dream that includes the systems, values, practices and policies which describe what the employers expect from their employees and in turn what the employees expect from their employers. [2]

## **II. LITERATURE REVIEW**

Suman Kumar Dawn and Suparna Biswas [3] provide some concept on employer branding and also aids to examine how the Indian organizations with a positive corporate reputation can able to attract and retain the employees. It also explain the importance of creating an effective employer branding strategy of Indian companies along with the different case study.

Pierre Berthon, *et al.* [4], identifies and operationalises the components of employer attractiveness from the perspective of potential employees. Specifically they develop a scale for the measurement of employer attractiveness. Implications of the research were discussed; limitations and future research directions were suggested.

N Malati and Pratiksha Tiwari [5], in this paper, the authors tries to compare the employee branding practices of three top Information Technology companies- TCS, Infosys and Wipro and understand their similarity and dissimilarity with respect to various branding practices. Further, it reveals that branding practices of TCS and Wipro are significantly different while Infosys has practices common to both the organizations.

Dr. V.T.R Vijayakumar and Mrs. S. Asha Parvin [6], begins by defining the concept of Employer Branding practices carried out by the organizations to attract talents and to move towards their vision for a successful style. Dr. Shivdasini Singh Amin and Shilpa Bhaskar [7], in their paper examine the effective and practical employer branding strategies in India that address the issues like recruitment as well as training, employee engagement and employee motivation, and finally retention.

Michelle Wallace *et al.* [8], discusses employer branding and industry image as two important components of attraction strategies and describes ways companies can maximize their brand awareness in the employment market to both current and future employees.

(Pushpendra Namdeo *et al.* 2012), discusses concepts on employer branding, challenges and suggestions in building a strong employer brand and also examine how Indian organizations with a positive corporate reputation can attract and retain the best employees.

(Dr.P.Chitramani *et al.* 2013), discusses various studies have explored the benefits of being an 'employer of choice' and highlights that employer branding can contribute significantly to overall business performance. It also focuses on employer branding of various initiatives by the IT giants.

### **III. EMPLOYER BRANDING ON INDIAN IT COMPANIES**

#### **3.1. Case: I-TCS**

Most of the companies invest their energies and resources in employer branding to become the top players in the industry as well as across globally. TCS also follows this phenomenon. TCS has been awarded as the employer of choice not only locally but also globally.

#### **CSR Initiatives by TCS**

TCS embodies their founders philosophy of building strong and sustainable businesses that are decisively rooted in the community and exhibit care for the environment. The following elements pave the way for strong corporate sustainability at TCS,

- Best-in-class HR processes
- A transparent and value-driven corporate governance
- A strong thirst and strategy for the longer-term business growth
- HR processes, which are best in the field.
- Initiatives for community development

It organizes India's biggest IT quiz for schools – "TCS IT Wiz". In August 1999, it was launched in Bangalore, and then extended to other cities in the South India. Over the decade, this program has become a benchmark in the inter-school quizzing. The quiz has earned an entry in the LIMCA book of records as the nation's first IT quiz. TCS has initiated various CSR activities focusing on the health, environment and safety concerns in India. Recently Tata Sons Chairman Ratan Tata has been awarded a Lifetime Achievement Award for innovation in philanthropy by the Rockefeller Foundation. Mr. Tata said businesses should be sensitive to the fact that they are making a difference in places where they operate and they have to do things to help the community prosper. He was privileged by the Foundation for incorporating the public good into the business model. He said their employees have gained a definite spirit of being part of the community in which they operate.

### **Opportunities at TCS**

The strategic initiatives for talent development through learning and development programs and experiential learning ensured that the Company had right competencies in its workforce to meet the business demand. According to March 31, 2011 reports, they has High utilization rates which is about 83.10% excluding trainees and 76.20% including trainees.

Continual focus on talent management and engagement, skill development, career progression and lofty compensation helped the Company to attract and retain the best talent across the industry. The Company successfully built the performance oriented culture with high levels of engagement, teamwork and empowerment.

### **HR Practices of TCS**

HR practices of TCS are well known in India and around the globe. It maintains lowest attrition rate of 9.9 per cent in EU and continues to be the best choice among the employees. The company lays emphasis on the overall development of its employees. It offers multilingual training modules and also it enables the employees to achieve their career objectives by means of rotation through projects and locations both internally and globally. It aids their employees to update in latest skills in the industry and encourages competencies, knowledge sharing and team building.

TCS HR practices are prepared with the aim to integrate diverse branch units and to leverage from other's strength and to work collaboratively. It ensures the clearness in position definitions and professional competencies. It also focuses on the learning and development of new competencies for providing cutting edge up to date advanced services. A dedicated Technical Information Centre (IRC) set up to focus on information services in alignment with the organization's business needs. Mr Ramadorai, said "The Company's HR policy is a very humane process" while speaking to Business Line. Thus enables the TCS to stand out as the best employer of choice not only in India but also globally (Dr.P.Chitramani, 2013).

### **TCS Value Proposition**

The TCS employer brand positioning builds on its strengths and it communicates that TCS as an organization that offers its employees a complete Global IT Career by highlighting the three main value propositions:

- (a) Global exposure is a major highlight in opportunities provided in TCS. It covers wide geographical regions around globe. Working on multinational projects provide opportunity for the employees in exploring cutting edge technologies and to participate in world renowned research. It is a good opportunity to interact and work along with people from variety of cultures all over the world.
- (b) TCS has established the environment that centers on individual interests, talent and aptitude. It promotes cross domain experience among the employees. Employees gets an opportunity to function across different industry requirements and standards, practices in services, various technology platforms and functional domains.
- (c) TCS has introduced several programs as per the aspirations and needs of thier employees with keeping fun as a key element. The company recognizes the need of an extended flexibility in order to steer towards different spheres of life.

### **3.2. Case: II-Infosys**

Infosys bagged Best Employer awards through several HR surveys conducted by diverse organizations. Their HR practices are well known for employee friendly approach. Infosys provides stock option plans to the employees and make them to feel like a shareholder of the company.

Infosys conducting one of the toughest selection process in India and also attracts the best talent from across the country. It is one of the first companies to offer ESOPs to its employees. The company following variable compensation structure depended on the performance of the individual.

While recruiting, Infosys identify the right talents for the right jobs. And also the company focused on hiring the individuals with capability of high degree of 'learnability'. Training and development of employee is a continuous process at infosys.

At the Global Education Centre (GEC) in Mysore, the new recruits are trained. It has world-class training facilities and has the capacity to train more than 4,500 employees at a time.

In 2001, Infosys Leadership Institute (ILI) set up with the view to improve the effectiveness of the HRD at Infosys. Primary aim of the institute is to develop and groom the talents in the company to meet future demands. The compensations and reward system has restructured so as to match with the performance of its business needs and the scale of operations. The company follows a variable pay structure and 360 degree performance appraisal system.

Towards the inclusive HR policy, for the new and to-be mother employees, Infosys opened a satellite centre in the heart of the city, in order to cut down on travel time to work. The company has also providing one-year sabbatical to its employees at any point in their careers. This could be even used for the cases like childcare, elder care or for health reasons. These practices at Infosys help its employees to balance their work life better.

### **Corporate Citizenship**

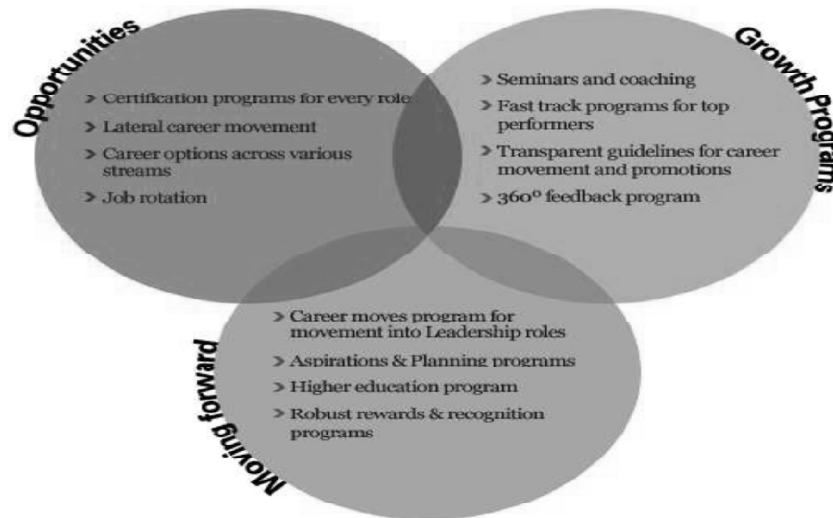
Infosys is actively involved in several community development programs. It has taken several initiatives in the areas of Education, Rural Development, Employment and Welfare activities. Infosys Foundation takes care of Healthcare for the poor. It also supports Arts & Culture and Education. Infosys Foundation worked to support the underprivileged in society across various states namely, Karnataka, Andhra Pradesh Tamil Nadu, Maharashtra, Orissa and Punjab states of India This foundation also constructed hospital wards, donated hi-tech equipment and organized numerous health camps, Free medicines etc., The Foundation also offers an training to deprived and rural students from schools and colleges and donates books.

### **Career development**

Infosys employees provided with every possible opportunity to inspire and to go beyond what they think might be possible. Growth is vertical, lateral, incremental and exponential in Infosys. Career Path Architecture of Infosys is explained below Figure 1.

Infosys has managed to increase the hiring in rapid manner while uphold the quality of the talent recruited through their corporate image and a culture based

Figure 1: Career Path Architecture of Infosys



Source: <http://www.infosys.com/careers/why-infosys/career-growth.asp>

on principles that are highly valued by knowledge workers. Professional freedom, innovativeness, openness and opportunities to learn are to name a few. Infosys taking several steps to improve its brand attraction and to develop and sustain the talent pipeline. Credibility of management and its transparent management practices and the value driven management have resulted in the best image of the company in the minds of the employees (Dr.P.Chitramani, 2013).

#### IV. CONCLUSION

The review briefs about the concepts of employer branding in Indian IT companies. It also briefs the various branding practices followed to attract and retain employees by the Indian IT organizations. Employer branding is one such strategy that ensures the organisation is able to attract, engage and retain the building blocks of what is now recognised as a firm's source of greatest competitive advantage – its human capital. Infosys did it with its 'middle-class turning into millionaires', Wipro, known as a 'take-off point for entrepreneurs' and TCS as a 'training ground for freshers'. Employer branding ensures that the best employees stay on longer, thus allowing the company to carry on its operations smoothly.

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