

# **Employer Branding and its impact on Job Satisfaction :A conceptual Study**

## **Abstract**

Over the years, organisations have gained this immense realisation that their employees are their biggest source of competitive advantage, and apart from attracting, recruiting and selecting the best ones, they need to find ways to motivate and retain them as well. In order to do so ,they need to cater to the needs of both their current as well as prospective employees.employer branding involves all the strategies that an organisation undertakes in order to elevate its reputation in the eyes of one its current employees by virtue of its unique Employee Value Proposition and anotherin the mind of their prospective employees.Organisation in their quest for attracting and retaining talented workforce have realised the importance of employer branding. This is one of the main reasons as to why employer branding has gained immense popularity over the years.This study evaluates previous research in order to determine the degree to which job satisfaction is influenced by employer branding.

**Keywords** : Employer Branding , Job Satisfaction , Employee Value Proposition ,competitive advantage , reputation

## **1. Introduction**

In the context of organisational conduct, a strong relationship exists between employer branding and job satisfaction. The constant struggle in the labour market for recruiting and maintaining a competent workforce has prompted organisations to devise strategies for not just enticing new workers, but also retaining present ones. According to Ambler and Barrow (1996), employer branding involves establishing a complete plan that positions the

organisation as a top choice for both potential and current workers. This will not only impact the outcome of recruitment but also the perception of employees towards their organisation, thereby increasing job satisfaction (Sullivan, 2004).

The corporate social responsibility, healthy work atmosphere, and training and development dimensions of employer branding have been found to be significant predictors of intentions to apply for jobs (Bharadwaj, 2023). Based on the groundwork of the resource-based view (RBV), it is quite evident that human resources constitute a vital part of an organisation and are their biggest source of competitive advantage (Barney, 1991). This shows how employer branding enhances the value proposition that an organisation offers to its employees and helps in not only attracting superior talent but retaining the talented workforce as well.

Backhaus & Tikoo (2004), in their study, found that more and more employers are now coming to terms with how important employer branding is since it shows how an organisation comes across as a workplace. It represents how an organisation communicates its unique value proposition to both its current and prospective employees. Employer branding has gained immense recognition, which signifies the compelling influence of employer branding in attracting and retaining talent (Mosley, 2007). The success of employer branding lies in its ability to create a convincing narrative that rings a bell in the ears of not just current employees but prospective employees as well. This narrative then needs to be effectively communicated, which can then lead to an increase in the job satisfaction of the employees by increasing their contentment with their jobs (Locke, 1976). An employer brand that is strong will not only attract candidates but have a great influence on job satisfaction as well.

An increased body of literature aims to describe the mechanism via which employer branding influences job satisfaction. Employer branding can influence how employees perceive organisational support, which will in turn imbibe a sense of belongingness and loyalty among

employees, hence increasing their job satisfaction levels (Eisenberger et al., 1986). A strong employer brand helps in attracting those individuals whose goals are in alignment with those of the organisation, hence leading to high job satisfaction levels (Kristof-Brown et al., 2005). The relationship between employer branding and job satisfaction showcases how the expectations of the workforce are increasing.

The main aim of the paper is to provide a comprehensive review of the concept of employer branding and its relationship with job satisfaction. By making use of the findings from different contexts, this study aims to define the conditions under which employer branding will most significantly impact job satisfaction. By understanding all of this, organisations can develop various employer branding strategies that will not only attract the top talent but will also keep the current lot happy and productive.

### **1.1 Objectives of the study**

The study seeks to accomplish the following objectives :

- 1) To theoretically explain the concept of Employer Branding by reviewing the existing literature on Employer Branding.
- 2) To explore the theoretical groundwork that has been done on Job Satisfaction.
- 3) To conceptualise the relation between Employer Branding and Job satisfaction by developing a framework that showcases the relationship between the two.
  - 4) To recognise gaps in the current literature and propose the direction of future research.
  - 5) To deliberate on the practical implications for this study for organisational strategy.

## **2. Literature review**

### **2.1 *Employer Branding***

Employer branding has evolved in a novel manner, with its primary concentration on acquiring prospective employees gradually shifting to a larger area that influences employee retention (Backhaus & Tikoo, 2004). This evolution of employer branding goes on to show how organisations have started recognising employees as their biggest source of competitive advantage. Ambler and Barrow (1996) describe employer branding as "the package of functional, economic, and psychological benefits provided by employment and identified through the employing company." It defines how organisations communicate their promises with their employees, thus impacting their satisfaction level at the workplace (Mosley, 2007).

Employer branding is a multifaceted concept that incorporates both material and immaterial components. Salary, perks, and career progression prospects are examples of the concrete aspects of employer branding; work-life balance, corporate culture, and organisational values are examples of the intangible components (Backhaus & Tikoo, 2004). An organisation's exterior image and the internal reality that its workers experience are aligned when a strategy for employer branding is able to communicate these tangible and intangible elements through a variety of communication channels. Effective employer branding communicates these components through consistent messaging across various channels, ensuring alignment between the employer's external image and the internal reality experienced by employees (Lievens & Highhouse, 2003).

Employers may use employer branding as a strategic strategy to attract and retain skilled employees while also enhancing employee retention (Barrow & Mosley, 2005). An employer branding strategy that is well designed can help an organisation reduce its cost of recruitment and the time taken to hire prospective employees while also increasing the quality of applicants (Sullivan, 2004). Additionally, a strong employer brand leads to an increased level of employee engagement and loyalty, eventually contributing to enhanced organisational performance (Mosley, 2007).

### **2.1.1 Job satisfaction**

Employment satisfaction is one of the most commonly researched concept in organisational psychology, and it is described as a sense of fulfilment gained from one's employment (Locke, 1976). It captures how an individual views his job, how he evaluates his work environment, compensation, and his relationship with his colleagues. (Spector, 1997). Researchers have identified various factors that influence job satisfaction. Some of them are the intrinsic aspects of work in terms of autonomy, variety of tasks, and significance, while others are the extrinsic factors like pay, job security, working conditions, and various social dimensions as well, like support from the supervisor, relationships with coworkers, and organisational culture (Judge et al., 2001; Rhoades & Eisenberger, 2002). The expectations of the employees, their aspirations, and their value play a very important role in shaping job satisfaction (Judge & Bono, 2001).

Job satisfaction has various implications for both employees and organisations. Individual workers' physical and mental health are positively correlated with their job satisfaction (Faragher et al., 2005). At the organisational level, it leads to higher productivity, a reduction in turnover rate, and a lower rate of absenteeism (Harter et al., 2002; Tett & Meyer, 1993).

### **2.1.2 Employer Branding and Job satisfaction**

Employer branding creates a more engaging and loyal workforce (Prasad, 2016). The reason being that when employees feel that the organisation that they are working for is reputable and supportive, it can create a feeling of accomplishment, belongingness, and overall satisfaction amongst the employees (Schlager et al., 2011).

The psychological contract theory (Rousseau, 1995) also expands on this relationship by bringing into focus the expectations and obligations between employees and employers. An employer branding strategy that is well designed can help in fulfilling these expectations,

which will further lead to fairness and trust, which prove to be critical determinants of job satisfaction.

Numerous empirical research highlighting the linkage among company branding and work satisfaction have focused attention on the variables' mediation relationships. Employer branding, for example, impacts an employee's perceived organisational prestige and identification, which eventually enhances job satisfaction (Carmeli & Freund, 2002). Also, an employer brand that is able to effectively communicate their career development opportunities, work-life balance, and organisational culture can have a direct effect on job satisfaction by being able to fulfil the intrinsic and extrinsic needs of employees (Turban & Greening, 1997).

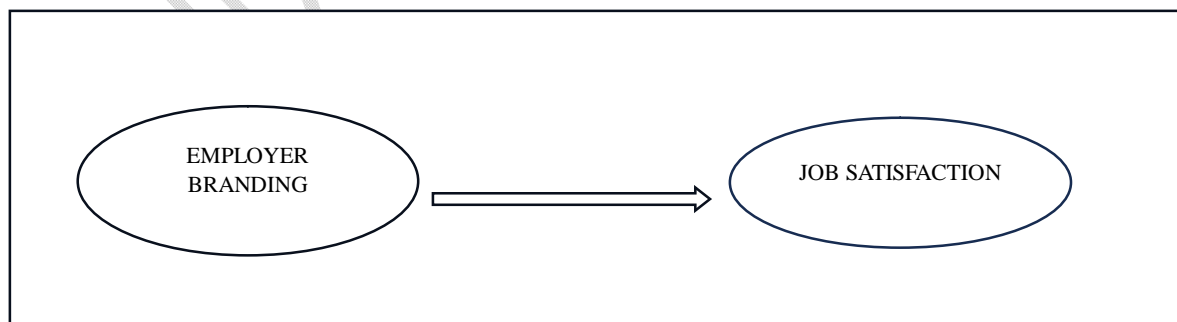
Research shows that employees who are part of organisations that have a strong employer brand have a high level of job satisfaction. An organisation that has a positive work culture and that has the characteristics of open communication and the well-being of employees creates a sense of belongingness in the minds of employees, which eventually leads to job satisfaction (Maak & Pless, 2008). Employees that look at their organisations as respectable ones have a feeling of pride and accomplishment that stems from them being a part of this organisation (Posthuma et al., 2013). An organisation with a strong employer value proposition (EVP) that is able to communicate to its current and prospective employees their unique benefits and opportunities enhances the job satisfaction of their employees. Employees who feel that their skills are valued in their organisation have a more positive work experience (Tanwar & Prasad, 2016b). Employer branding has been shown to be linked with positive work outcomes like job satisfaction (Grigore et al., 2023)

Some factors can cause mediation between employer branding and job satisfaction due to several factors, with organisational identification being one of the factors. Employees who

can strongly identify with their organisation experience a sense of higher job satisfaction (Maak & Peas, 2008). Another mediating variable could be psychological contract fulfilment. A psychological contract is an unwritten agreement that shows what employees and employers expect from each other (Robinson & Rousseau, 1994). An organisation that knows how to fulfil its promise towards the employees can contribute greatly to job satisfaction (Sandeepanie et al., 2023). Existing literature suggests that there definitely exists a substantial positive linkage among job satisfaction and employer branding. However, further research is definitely needed to understand the mechanism through which employer branding affects job satisfaction.

In spite of the increase in research on these variables, the gap still remains in understanding which specific elements of employer branding have the most impact on job satisfaction. More studies are required that would compare the relationship across different cultural and industrial contexts. Also, the impact of digital media on how it shapes the employer brand of an organisation and its effect on job satisfaction also requires future exploration (Sullivan, 2004).

### 2.1.3 Conceptual model of the study



## 3. Conclusion

A lot of insights into how employer branding plays a strategic role in shaping organisational productivity has been revealed while investigating into the connection among employer branding and job satisfaction. Using a detailed review of scholarly dissertations, this paper has highlighted how strong employer brands greatly contribute to job satisfaction levels. Making use of the groundwork of contemporary research, this paper showcases that employer branding surpasses not only the attraction of a talented workforce but also serves as a crucial element in creating a committed and satisfied workforce (Ambler & Barrow, 1996; Backhaus & Tikoo, 2004).

Employer branding has unquestionably become a crucial tactic in today's cutthroat job market for engaging in both existing and talented prospective employees. This study investigated an association involving job happiness and corporate branding and discovered that a strong employer brand may surely influence workers' well-being. The literature study emphasises that workers are more likely to be satisfied with their jobs when they are part of a respectable company with a strong EVP (Meak & Pless, 2008; Posthuma et al., 2013; Tanwar & Prasad, 2016b). The literature review further demonstrates that well-articulated company brands provide existing workers with a feeling of belongingness and pride (Cable & Turban, 2003).

(Cable and Turban, 2003). This paper showcases certain research gaps that need further exploration across different cultural contexts and industries.

In conclusion, this research makes a contribution by emphasising the strategic value of employer branding and maintaining its significance in promoting work happiness. This paper recognises the importance of creating strong employer branding strategies that will not only increase the attractiveness of an organisation but also create a workplace environment that has a high level of job satisfaction, hence leading to organisational success.

### **3.1 Practical Implications**

1) Organisations need to find and invest in ways to strategically communicate their employer brand using different platforms. This entails acknowledging the significance of digital media in order to promote a favourable perception of the brand in the minds of potential and present workers on the benefits they would provide (Backhaus & Tikoo, 2004; Moore, 2007).

2) The employer brand should reflect at the expectations of the workforce in order to foster a sense of belonging among the employees and increase job satisfaction (Cable & Turban, 2003). Working on creating a positive employee experience should be the main agenda of employer branding strategies.

3) Organisations should use social media to leverage their employer brand; they should also pay attention to employer review sites and their own website in order to efficiently promote their employer brand and draw in a younger, talented talent pool. This is because a large portion of the workforce relies on digital channels for job-related information (Sullivan, 2004). They should work on the feedback that they receive based on the perceptions employees have about their organisation.

4) Employer branding tactics must be tailored to the needs of various workforce demographics, in order to make sure that a larger audience is reached by the employer branding strategies (Ambler & Barrow, 1996).

#### **3.1.1 Limitations**

Certain limitations of the study need to be kept in mind while considering this study. Firstly, this paper depends on the existing studies on the variables, and the majority of studies are from Western contexts (Backhaus & Tikoo, 2004; Ambler & Barrow, 1996). This may limit

the application of this study to non-western contexts and hence create a research bias since there is a difference in culture between Western and non-western contexts, which may influence job satisfaction and employer branding. Most of the studies considered are cross-sectional in nature (Cable & Turban, 2003). A deeper understanding of the development of the link between work satisfaction and employer branding, as well as how the relationship evolves over time, would be possible with longitudinal research.

Employer branding and its influence on job satisfaction has been studied mostly in the context of large corporations while overlooking small and medium-sized enterprises and various other sectors (Sullivan, 2004). The role of digital media and its impact on employer branding haven't been studied much in past studies. Considering how important social media and various employer review sites are in shaping perception, especially among the younger generation, it is thus a limitation since it doesn't fully cover the entire range of employer branding strategies (Mosley, 2007).

### **3.1.2 Directions for future research**

The above-mentioned limitations highlight the areas that need further inquiry. The research to be conducted in the future should aim to work on these limitations by taking into consideration different geographical contexts, conducting a longitudinal study to study the evolution of employer branding, and expanding the research to various other industries and sectors while also examining the developing role of digital media in enhancing employer branding. Further investigation is necessary to examine potential mediators and moderators, such as employee expectations and career goals, that may modify the association between corporate branding and work happiness. Examining these mediators can assist in determining the conditions under which employer branding will have the greatest effect on work satisfaction.

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