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## **A STUDY ON EFFECTIVENESS OF EMPLOYEE BRANDING IN BANKING INDUSTRY IN INDIA**

**Shiju CR**

Asst. Professor, St. Paul's College, Kalamassery, Ernakulam, Kerala

**Philip Sam Tharakan**

Asst. Professor, Rajagiri College of Management and Applied Sciences, Rajagiri Valley, Ernakulam, Kerala

**Ashish C Pius**

Asst. Professor, Rajagiri College of Management and Applied Sciences, Rajagiri Valley, Ernakulam, Kerala

### **ABSTRACT**

The global and an incrementally competitive business environment faced by the organizations; irrespective of their sectors, from all over the world have presented a need for establishing themselves as an ideal employer. The present study focuses on the impact of the employer branding on employee attraction in banking sector. The Indian Banking sector is huge and varied. The Banking sector is highly associated with the economy of the country. Hence the present study aims at understanding how the employees get attracted to the Banking sector and what are the perceptions of the prospective employees towards such initiatives. The study is also expected to give insights whether there is any relation between employer branding and employee attraction and how can the banking sector utilize employer branding practices to attract talent.

### **INTRODUCTION**

Employment branding as in the potential labour market that the firm is more concerned about image building and influencing the workers as it is a 'great place to work'. Employer branding is known as a long-term approach focused to organize perceptions and awareness of employees, skilled employees and associated stakeholders about a specific organization. There are several definitions of employer branding. However, this study would adopt one of the most commonly used and quoted definition.

### **STATEMENT OF THE PROBLEM**

Employer branding is really a collection of various activities that facilitate the organization to draw in the potential worker. Hence currently corporate have invested with in promoting efforts and creation of strong brands thereby to accumulate and retain the employees. The employer branding is an important strategy as it gives them good result in attraction and retention rate. This has resulted in adopting branding strategy into the Human Resources Management.



## **OBJECTIVES OF THE STUDY**

- To study the effectiveness of employer branding in banking industry.
- To analyse the impact of employer branding to attract new employees.
- To find out organizational factors/elements those are perceived as important by prospective employees to choose the employer.
- To analyse the strategies used by commercial banks in order to attract new blood.

## **SCOPE OF THE STUDY**

The study is mainly focus on employer branding and its effectiveness on organizational attractiveness among prospective employees in banking industry. It considers the factors which have great influence on prospective employees to choose a particular commercial bank as their employer. And also studies various strategies used by commercial banks in order to attract new blood.

## **RESEARCH METHODOLOGY**

**Data collection:** Primary and secondary data are used in this study. Primary data is collected through questionnaire method and secondary data is collected through journals, books, websites etc.

**Sampling:** The universe under the study is job seekers in banking sector and sample is graduates and job seekers of banking sector in Kochi city. Sample size of the study is 60. Convenience sampling is being adopted.

**Tools used:** The tool used in the study is percentage method. Different tables and charts are also used in this study.

## **ANALYSIS OF DATA**

The study was conducted at Cochin city. Samples selected from graduates and job seekers in banking sector. The aim of the study is to understand the effectiveness of employer branding to attract prospective employees to banking industry.

**Table showing Word that comes to the mind of respondents when they think about bank brand**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Money	8	13	13	13
	Bank	4	7	7	20
	Finance	16	27	27	47
	Prestige	24	40	40	87
	Banking	8	13	13	100
	<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	

**Table showing Preference of Respondents to work with a company in banking industry**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Least preferred	1	2	2	2
	Less preferred	3	5	5	7
	Neutral	8	13	13	20
	Preferred	28	47	47	67
	Most preferred	20	33	33	100
	<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	

From the table it is clear that 47% of respondents are preferred to work for a company in banking industry and 33% are more preferred to choose a banking career. Only 5% of the respondents are less preferred for a banking job and 2% is not interested for a career in banking industry.



<b>Table showing Bank has an employer brand</b>					
	Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	60	100	100	100
	No	0	0	0	100
	<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	

shows that 100% of the respondents believe that every bank has an employer brand and by using various branding strategies they attract new blood. No respondents are of the opinion that the banks do not have employer brand.

From the table it is clear that the word ‘prestige’ is come to the mind of 40% of respondents when they think about bank brand. It is because they consider a job in banking sector as a prestigious one. The word finance is come to the mind of 27% of respondents when they think about brand. Only few respondents associate the words money, banking, bank when they think about brand of a bank.

<b>Table showing Influence of employer branding to choose a particular banker as employer</b>					
	Opinion	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	60	100	100	100
	No	0	0	0	100
	<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	

By analysing the table, it is clear that, the employer brand of a bank attracts or influences the respondents to choose a particular banker as their employer. 100% of the respondents are of the opinion that they are attracted by the employer brand of the bank and select the bank as employer on the basis of brand.



**Table showing Importance of banking attributes to the respondents**

	Attributes		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Financial benefits	very important	36	60	60	60
		moderately important	24	40	40	100
		of little importance	0	0	0	
		un important	0	0	0	
		<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	
	Non financial benefits	very important	28	47	47	47
		moderately important	24	40	40	87
		of little importance	8	13	13	100
		un important	0	0	0	
		<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	
	Opportunities for career advancement	very important	20	33	33	33
		moderately important	36	60	60	93
		of little importance	4	7	7	100
		un important	0	0	0	
		<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	
	A work place where competencies are valued and rewarded	very important	24	40	40	40
		moderately important	24	40	40	80
		of little importance	12	20	20	100
		un important	0	0	0	
		<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	
A place that is open, friendly and sincere	very important	20	33	33	33	
	moderately important	36	60	60	93	
	of little importance	4	7	7	100	
	un important	0	0	0		
	<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>		



From the table it is clear that financial benefits are considered as more important by 60% of respondents where as 40% of respondents consider it as moderately important to them while selecting a banking career. The non financial benefits are also considered as most important by 47% of respondents and this attribute is of little importance to 13% of respondents.

The organization with career advancement opportunities and friendly working environment are moderately important to 36% of the respondents and 24% of the respondents would like to work for a bank where competencies are valued and rewarded.

	Developmental factors		Frequency	Percent	Valid Percent	Cumulative Percent
	Recognition from management	Strongly Agree	24	40	40	40
		Agree	36	60	60	100
		Neutral	0	0	0	
		Disagree	0	0	0	
		Strongly Disagree	0	0	0	
		<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	
	Springboard for future employment	Strongly Agree	20	33	33	33
		Agree	24	40	40	73
		Neutral	16	27	27	100
		Disagree	0	0	0	
		Strongly Disagree	0	0	0	
		<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	
	Feeling good about yourself	Strongly Agree	24	40	40	40
		Agree	28	47	47	87
		Neutral	8	13	13	100
		Disagree	0	0	0	
		Strongly Disagree	0	0	0	
		<b>Total</b>	<b>60</b>	<b>100</b>	<b>100</b>	

Source: Primary Data



The table 4.12 shows various developmental factors which has greater influence on respondents while selecting a banking job. From the data it is sure that majority of the respondents would like to work for an organization where the employees get recognition (60%) from the management for their good effort.

About 60% of respondents agree that they will work for an employer where they can work with confidence, without any pressure from top officials and also in an organization where they feel good about themselves (47%).

## **FINDINGS AND SUGGESTIONS**

### **FINDINGS**

- About 73% of responses are received from female and only 27% are male respondents. So, majority of respondents are female.
- Majority of the respondents come under the age group of 22-25 years. It means that most of the respondents completed their education recently and seeking for a job in banking sector.
- 73% of respondents are post graduates and 27% are degree holders.
- Majority of the respondents are highly preferred to work for a company in banking sector and very few are less preferred for banking sector.
- All of the respondents believe that bank has an employer brand.
- The word prestige is come to the mind of most of the respondents when they are think about bank brand. This is because they consider the banking career as a reputed and prestigious one.
- The employer branding has a greatest influence on prospective employees to choose a particular banker as their employer.
- The brand perception about a particular bank built in the mind of majority of respondents i.e. about 60%, mainly through using the services offered by such banker. The advertisements of the banks creating brand perception in the minds of 26% respondents only.
- Among banking job attributes, majority of the respondents give more importance to financial benefits. It means that most of the people are attracted to banking sector by seeing the monetary benefits offered by the banks. Secondly, they give importance to the banking attributes like opportunities for career advancement and a place that is open, friendly and sincere.
- 80% of the respondents consider the banking job as a secure job.
- Among social factors, availability of facilities and cordial environment are the factors which influence 53% of respondents. About 40 respondents agree that they also consider the factor 'respect and appreciation' from the employer while selecting the employer in banking industry.



- Majority of the respondents would like to work for an organization where the employees get recognition (60%) from the management for their good effort and can work with confidence.
- The career goal of 67% of respondents is to ensure security of the job and 33% have work-life balance as their career goal.
- Majority of the respondents want to attain financial strength and to work in a dynamic environment while selecting a banking job. And no one have the aspiration to get leadership opportunities from the employer.
- 40% of the respondents expect high future earnings from the employer and 33% expect friendly work environment in the organization. And only few expect support from leaders for their development.

## **SUGGESTIONS**

- The advertisements through social media and digital communication channels like website could be more attractive and include the messages that communicating employer branding.
- Banking sector has tough competition from software and computing sector. So banks have to review their employer brand to attract best talents.
- Banks are associated with a culture of long working hours. So banks should provide a friendly and open atmosphere for its employees.
- The employer should provide recognition to the employees for their performance through various monetary and non-monetary benefits.
- The talented persons should be attracted to banking sector not only seeing the financial benefits but also with the opportunities that are provided by the employer to improve the leadership qualities of employees and facilities to make the employee competitively challenged.
- The banks have to provide professional training to newcomers and to grow them as technical and functional experts.

## **CONCLUSION**

The study is conducted to know the effectiveness of employer branding to attract prospective employees to banking sector. The results of the study specify that there is a noteworthy relationship between employer branding and potential applicant's intention to apply for a job in banking sector.

In this study, the perceived importance of various dimensions of employer branding and its influence on the attitude of prospective employees towards the organizations in the banking industry is examined. It is found that social, economical and development factors have significant influence on their attitude towards an organization. It is concluded that economic factor is perceived by prospective employees as the strongest influencer to choose a career in banking sector. This study helps employers to frame strategies for





attracting new blood on the basis of their preference for crucial factors of employer branding, and simultaneously building its own brand image and attainment of objectives very effectively. Employer brand acts as an inspirational tool for attracting new talent in the organization.

Employer branding is a very complex concept and there could be many other dimensions to study the same. This paper has considered only limited dimensions to see the impact of employer branding to attract new blood to banking industry. There is a scope of future research for a comparative study of effectiveness of employer branding on organizational attraction and retention of current and prospective employees in banking sector.

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