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A committed workforce: Employer Branding and Its Influence on Employee
Engagement

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A COMMITTED WORKFORCE: EMPLOYER BRANDING AND ITS
INFLUENCE ON EMPLOYEE ENGAGEMENT

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This report is submitted in fulfilment of the requirement for the Bachelor of
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DECLARATION

‘I declare that this report is my own work except the summary and excerpts of everything I have to explain the source’

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DEDICATION

This research paper is dedicated to my parents and family who have been my constant source inspiration. They have given unconditional support with my studies. I am honoured to have their as my parents. Thank you for giving me a chance to prove and improve myself through all my walk of life. Additionally, thank you for conditional support from my beloved friends who helping me incomplete this study to all my family thank you for believing me to further my studies.

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ABSTRACT

Employer brand is defined as the package of functional, economic and psychological benefits provided by employment and identified with the employing company (Tim Ambler of London Business School, 1996I). It is a firm corporate image or culture created to attract and retain the type of employees the firm is seeking. With employer branding everyone in the organization works to promote the image of the firm. Conversely, the key in keeping employees is to create a strong engagement between the employees and employers. Employees who are engaged in their work and committed help organizations attain competitive advantages in the forms of higher productivity and lower employee turnover. This study examines the relationship between employer branding and the level of employee engagement to create a committed workforce, involving Gen-Y. Additionally, it aims at determining whether employer of choice as perceived by Gen-Y is correlated with strong employer brand. This research adopts quantitative approach with collected samples of 300 respondents comprising of Generation Y through direct questionnaires method. SPSS statistical tool is been used to test the descriptive statistics. The period of study will cover 6 months. The findings from this study will assist organizations formulate policies towards building strong employer brand reality, invest in building high level of employee engagement, develop strategies to address issues such as poor external image, difficulty in attracting talent, low employee morale and poor retention. They provide implications for organizations in establishing a strong business rationale by focussing attention on the employer brand, provide link between the strength of the employer brand, high levels of employee engagement and committed workforce.

Keywords: Employer branding, employee engagement, Generation Y.

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ABSTRAK

Jenama majikan ditakrifkan sebagai pakej berfungsi, ekonomi dan psikologi faedah yang disediakan oleh guna tenaga dan dikenal pasti dengan syarikat yang menggaji (Tim Ambler London Business School, 1996I). Ia adalah imej korporat syarikat atau budaya yang diwujudkan untuk menarik dan mengekalkan jenis pekerja firma itu Dengan penjenamaan majikan semua orang dalam organisasi yang berfungsi untuk mempromosikan imej syarikat. Sebaliknya, kunci dalam menjaga pekerja adalah untuk mewujudkan penglibatan yang kuat antara pekerja dan majikan. Pekerja yang terlibat dalam tugas mereka dan organisasi bantuan komited mencapai kelebihan dalam bentuk produktiviti yang lebih tinggi dan perolehan pekerja yang lebih rendah. Kajian ini mengkaji hubungan antara penjenamaan majikan dan tahap penglibatan pekerja bagi mewujudkan tenaga kerja yang komited, yang melibatkan Gen-Y. Selain itu, ia bertujuan untuk menentukan sama ada majikan pilihan seperti yang dilihat oleh Gen-Y yang dikaitkan dengan jenama majikan kuat. Kajian ini menggunakan pendekatan kuantitatif dengan sampel sebanyak 300 responden yang terdiri daripada Generasi Y melalui kaedah soal selidik secara langsung. SPSS alat statistik digunakan untuk menguji statistik deskriptif. Tempoh kajian akan meliputi 6 bulan. Penemuan daripada kajian ini akan membantu organisasi merangka dasar ke arah membina realiti jenama majikan kuat, melabur dalam membina tahap penglibatan pekerja, membangunkan strategi untuk menangani isu-isu seperti imej luaran yang lemah, kesukaran dalam menarik bakat, semangat pekerja rendah dan pengekalan miskin. Mereka memberikan implikasi kepada organisasi dalam mewujudkan rasional perniagaan yang kukuh dengan memberi tumpuan perhatian kepada jenama majikan, menyediakan hubungan antara kekuatan jenama majikan, tahap penglibatan pekerja dan tenaga kerja yang komited.

Kata kunci: penjenamaan Majikan, penglibatan pekerja, Generasi Y.

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CHAPTER 1

INTRODUCTION

1.0 Introduction

Changing demographics and economic conditions have given rise to increasingly competitive labour markets, where competition for good employees is high. In increasingly competitive labour markets, attracting and retaining talent has been one of the prime concerns of organisations (Collins 2001). Due to this situation employer has a significant role to control and an as employees have a very high expectations of these employer. According to Barrow and Mosley (2005), employer branding is used not only to transfer the message of the personality of a company as an employer of choice, but it also has been used to adapt the tools and techniques usually used to motivate and engage employees.

The concept of employer branding refers to the process of identifying and creating a company brand message by applying traditional marketing principles to achieving the status of employer of choice (Sutherland, 2012). These day, the perception on company brand will reflect the employer of the organization. For this reason, employer branding can provide a huge competitive advantage for companies, having the potential to raise an organisation's visibility in the job market as well as helping it stand out from the competition (randstad.co.nz, 2013)

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. It depicts organizational stability. Just like a customer and the brand.

There is a very big impact in order to attract and retain a customer to buy a product. One of the attraction of the product is because a quality of the brand. The brand represent the quality of the product produce by the company. Besides, a successful brand gives a valuable perception towards its employer.

Employer branding is a targeted long-term strategy to attract and retain future and current employees. The concept of Employer Branding was first brought up in literature in the 1990s in consequence to the war for talent (Mosley, 2007). Basically, when having a good brand of employer in the organization it will give a good impact towards employees and their performance. Besides, when the employees are satisfied with their jobs they will having a good perception of the company and have a willingness to be committed with their job thus can increase the level of engagement. Therefore, the organizational can improve their working environment and can have a better employee engagement with the result of company profitability.

Bhatnagar (2007) states that employee engagement and a better talent management and retention can plan an important role for organizational success. Research has shown that engaged employees are more productive, take less time off sick and are much less likely to leave an organisation, thus saving organisations money and protecting their investment in their employees.

According to a survey on employee job satisfaction in Malaysia by JobStreet.com in September 2012, it was revealed that 78% of the respondent claimed that they were unhappy with their current job. The environment of a working place are important in retaining a productive employees. Generation Y are majority generation that will representing the workplace after the other two generation that we know as a Baby Boomers and Generation X. Especially for the fresh graduates newly enter to the job market or organisation without any working experience or with less of working experiences but they have come with a set of high expectations and motivations created by a new set of information technology resources (Schulman, 2007).

This research paper examines the relationship between employer branding and employee engagement towards creating a committed workforce. Besides, the study is to show the importance of employer branding and employee engagement towards to committed workforce. On the other hand, the research on this subject can also be used to increase the competitive of employer branding. This is because from the factor of engagement could help the employer to determine the employee engagement. Besides, it will help the organization to retain and attract a quality employees.

1.1 Problem Statement

What behind the glittering company brand as far as potential employees are concerned? Employee engagement is crucial in maintaining a committed workforce. It is possible that many employees are left without fully appreciating what their employers have to offer, in terms competitive rewards package, career development opportunities, conducive working environment, unique culture and work-life balance, which may not provide by other organisations. Manpower planning, talent acquisition, retaining and engaging employees may be difficult as employees often switch jobs in search for better job opportunities to move up their career ladder. Organization's succession plan does not create envisioned future leaders as training and development often lead to job hopping among employees. Managers want to improve staff engagement because this tends to lead to staff performance, reduces staff turnover and improves the well-being of employees (Wright & Cropanzano, 2000). Organizations need to embark on aggressive brand entity to strive to remain as employer of choice among Gen-Y. Additionally, organizations require endless efforts in engaging employees by adopting the best practices to create a committed a workforce who strive to performance.

1.2 Research Question

This research explored the following key questions:

1. What are the factors that influence the Generation Y as committed Workforce in building employer branding?
2. How does employer branding engage Generation Y as committed workforce?
3. What are the the most influencing factor of Generation Y as a committed workforce on employer branding and employee engagement

1.3 Research Objective

The research objectives are designed by the researcher based on the research topic and research problems. The objectives of the study are stated below:

1. To examine the factors that influence the Generation Y as committed Workforce in building employer branding.
2. To determine the relationship between the impact of the Generation Y as committed workforce and employer branding
3. To investigate the most influencing factor of Generation Y as a committed workforce on employer branding and employee engagement

1.4 Scope

The scope of the research covers employees who are categorized as Gen Y who were born between 1978 to 2000 and are currently working with private organizations. Additionally the scope extend beyond those who are still unemployed and employees who are already employed but actively seeking for better jobs, to ensure security of tenure in employment. This is the crucial as Malaysia is moving towards innovation-led economy. Human capital, in particular

the Gen-Y who are achievement-oriented is the driving force of the innovation-led economy. Incentives that recognise and competitive rewards which are most prevalent among employers with strong brand form important keys to drive high performance and retaining talent. These often correlate with high level of employee engagement. Employers with strong brands stand to be employers of choice among Gen-Y their competitive advantages are attained from high financial returns from committed workforce.

1.5 Limitation

There are two limitations in the research. Firstly, the research is confined the group of Gen-Y who are active in the workforce, who are gainfully employed but seeking for better opportunities to move up the career ladder as a respondents of the survey. Next, study is limited to the Malaysian employees.

1.6 Significant of the Study

Significant Benefits to Employer

The research explores the roles of employer branding in talent acquisition. It proceeds to assist organization to develop strategies that drive and retain employees through employee engagement. Consequently, this will create a committed workforce who continuously strive for excellence to drive performance.

Significant Benefits to Generation Y.

It provides benefits to current employees and the new job seekers majority of which belong to Gen-Y to learn about the best practices and strategies adopted by employers in enhancing employee engagement at work. This subsequently creates a committed workforce along with the security of tenure in employment. Besides, it also

act as a tool for employers to understand the perception of Gen-Y of the organization as the employer of choice.

1.7 Summary

This chapter established the foundations of the roles of employer branding in engaging Gen-Y as committed workforce. Besides, it also introduced the background of study, problem statement, the research problems and the research objectives, importance of the study, as well as the scope and the limitation of the study. Based on the research foundations, the researcher proceeds to the next chapter in chapter two and discussed the literature review and theoretical framework.