

# Employer Branding: A Case on Selected Indian It Companies

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**ABSTRACT:** Rising competition in the global business environment compels the organizations to develop competitive advantage over other organizations. To combat in this situation the corporates are now positioning themselves as—brands—not only to sell their productseventorecruitnewtalents and to retain the best employees with them. Employer branding communicates the identity of an organization to thepublic.It isthe processof placingan imageof beinga—great placeto work in the minds of prospecting and existing employees. With the liberalization of the Indian economy in 1991 and the subsequent economic reforms, Indian companies are required to focus on employer branding even when they have a strong organization or customer brand. Various studies have explored the benefits of being an \_employer of choice ‘and highlights that employer branding can contribute significantly to overall business performance. Employer branding is also viewed as the magic pill for challenges such as a difficult talent climate, shrinking talent pools, and a—consumerthat isincreasinglytough to engage.In recentyears employer brandinghas gained popularity among the HR practicing managers as an important strategy to build organization sustainability. This paper discusses the various initiatives by the IT giants which resulted in employerbranding.

**KEYWORD:** Employer branding, HR practices, IT Companies

## I. INTRODUCTION

Increasing competition in the global business environment expects the organizations to develop competitive advantage over other organization not only to sell their products even to recruit new talents and to retain the best employees with them. Brands are among a firm’s most valuable assets and as a result brand management is a key activity in many firms. Although firms commonly focus their branding efforts toward developing product and corporate brands, branding

can also be used in the area of human resource management. The application of branding principles to human resource management has been termed –employer branding.Increasingly, firms are using employer branding to attract recruits and assure that current employees are engaged in the culture and the strategy of the firm. Employer branding communicates the identityofan organization to thepublic.

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## Employer Branding

Backhaus&Tikoo(2004,p.501)findsthat–EmployerBrandingrepresentsafirm’s effortsto promote, both within and outside the firm, a clear view of what makes it different and desirable as an employerl. This definition sees that these two different elements, internal and external branding, are under the top block of the pyramid, EmployerBranding.

Chhrabra and Mishra (2008, 57) have defined Employer Branding in the following way:

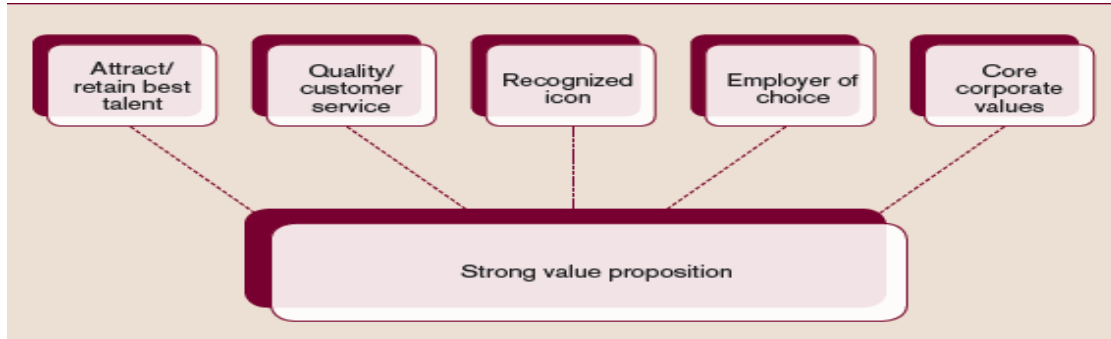
–Employer Branding is the process of creating an identity and managing the company’s image in its role as an employer. An organization brand lives in the minds of its customers –its employees. The customers may have positive or negative association with the brand.l

## 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 organization. It is a long-term vision that encompasses the values, systems, policies, practices and behavior’s which define what employers expect of their employees and

what employees in turn expect of their employers. The key points to create and establish an effective

employer brand is given below.

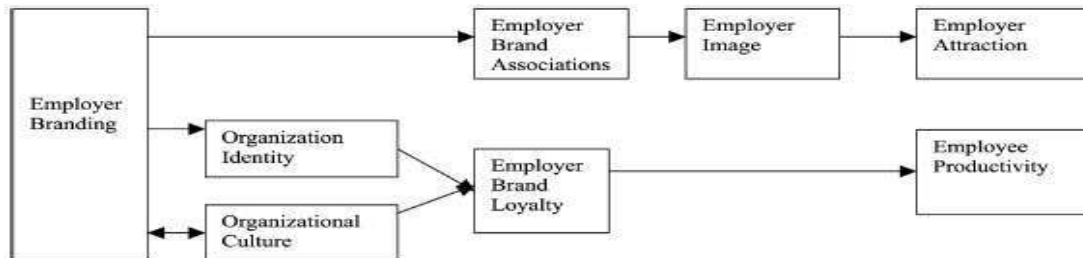


Source: Employer Brand in India: A strategic HR Tool {SHRM, 2010}

**Employer Branding Framework**

Creating a strong employer brand is not an easy or onetime based task. It is a process, and an ongoing practice where all the tangible and

intangible elements that constitute a company's image and reputation are organized and communicated effectively.



Source: Kristin Backhaus and Surinder Tikoo, -Conceptualizing and researching employer branding! Emerald Insight.

**Employer Branding Survey**

The Employer Branding Survey by Hewitt Associates and Accor Services covered 105 IT/ITES organizations. The major aspects of employer branding from the employees and the employers perspectives are considered and the main findings are presented below.



Source: Nasscom-HR Connect, Issue 2, June 2006.

**Best Employers**

Every year various organizations conduct surveys on the best employers to work with and their work environment, work culture etc., around the world. The below mentioned list is identified by one such survey in India.



Source: Business Today -Survey

## II. METHODOLOGY

This paper adopts case study method to take an in-depth analysis which focuses on the various activities and the initiatives of the top IT companies to build their employer brand. Tata Consultancy Services (TCS), Infosys and Wipro were selected for this study. This paper tries to elicit information on the employer branding strategies of these IT giants. The trend for Indian businesses to focus on CSR initiatives—both to build the brand and to stand out among other organizations—has increased in the past five to six years. This helps them to establish their organisation in the minds of the consumer as recognized icon and the best corporate citizen. The Organisations consider the Social Responsibility as an important core value and they project themselves through various activities as employer of choice. By providing quality product or service and with proper corporate image among public they

attract and retain best talent from the market. George Pohle and Jeff Hittner (2008) have also highlighted that the well-known companies have already proven that they can differentiate their brands and reputations as well as their products and services if they take responsibility for the well-being of the societies and environments in which they operate. A growing body of evidence asserts that corporations can do well by doing good.

### 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.



Source: Nasscom-HR Connect, Issue 2, June 2006.

### CSR Initiatives by TCS

TCS embodies the Tata group's philosophy of building strong sustainable businesses that are firmly rooted in the community and demonstrate care for the environment. The elements that make for strong corporate sustainability at TCS include the following:

- A fair, transparent and value-driven corporate governance
- A strong strategy for longer-term business growth
- Best-in-class HR processes
- Initiatives for community betterment
- Stewardship of the environment

TCS IT Wiz is India's biggest IT quiz for schools. Launched in Bangalore in August 1999, and eventually extended to other cities in the South in 2000, the quiz, in the last decade, has become a benchmark in the inter-school quizzing circuit for the level of research, the intensity with which teams compete and the sheer participation numbers it draws. 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 environment, education, health & safety issues and concerns in India.

Recently Tata Sons Chairman Ratan Tata has been awarded a Lifetime Achievement Award by the prestigious Rockefeller Foundation here for innovation in philanthropy. Speaking on the occasion, 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 honored by the Foundation for incorporating public good into the business model of the Tata Group. He said employees in his organisation have gained a certain spirit of being part of a community in which they operate. - It has become the DNA of the organisation to play a role in the community, headed.

### 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. High utilization rates were sustained throughout the year, 83.10% excluding trainees and 76.20% including trainees as at March 31, 2011, helping to deliver better financial results.

Continued focus on talent engagement, competency development, role and career progression and benchmarked compensation and benefits for employees helped the Company to attract and retain the best talent across the globe as well as build a pipeline of leaders to meet its future requirements. The Company has been successful in building a performance oriented culture with high levels of engagement and empowerment in an environment of teamwork.

### HR practices of TCS

TCS is known for its human resource practices in India as well as globally. In the EU, it continues to be the employer of choice and has the lowest attrition rate of 9.9 per cent. The company lays emphasis on the overall development of its employees and also offers multi-lingual capability training modules. TCS enables its employees to meet their career objectives through rotation across projects, functions and locations globally. It also helps employees in building new skills and competencies, and promotes knowledge sharing and team building.

TCS HR practices are formulated with the aim to integrate disparate branch units to leverage from the other's strength and collaborate effectively. It also ensures the clarity in role definitions and professional competencies and focuses on the learning and development of competencies for improved services. A specialized, technical information Centre (IRC), focusing on information services in alignment with the

organization's business needs also formed in TCS.

Mr Ramadorai once speaking to Business Line on the company's HR policy said "It is a very humane process. It thus enables the TCS to stand out as the best employer of choice not only in India but also globally.

#### **Case: II-Infosys**

Infosys has been awarded as Best Employer in many HR surveys conducted by various organizations in the recent years. The company is well known for its employee friendly HR practices. Infosys has been a pioneer in innovative workforce practices and HR initiatives—be it in creating wealth for employees through wide distribution of stock option plans or in creating a enjoyable workplace with various amenities.

As CEO of Infosys, Narayana Murthy once said "Our assets walk out of the door each evening. We have to make sure that they come back the next morning." Still at Infosys this culture is maintained. Infosys attracts the best talent from across the country and recruits candidates by conducting one of the toughest selection process. Infosys was one of the first companies to offer

#### **ESOPs to its employees**

The company followed variable compensation structure where the employees' compensation depended on the performance of the individual, the team and the company. It also very tackles the challenges faced by the company to retain its talented workforce.

While recruiting new hires, Infosys takes into consideration so as to identify the right talents for the right jobs. And in this drive the company strictly focuses on hiring those individuals (talents) who have the capability of high degree of 'learnability'. Employee development and training at Infosys is a continuous process. When hired employees immediately go through induction and training programme. The new recruits are trained at the Global Education Centre (GEC) in Mysore, which has world-class training facilities and the capacity to train more than 4,500 employees at a time. The company has a competency mapping system in place which takes into account individual performance, organizational priorities, and feedback from the clients so as to give comprehensive inputs for developing these training programmes.

Infosys Leadership Institute (ILI) set up in 2001 had an immense impact on the effectiveness of the HRD function at Infosys. The institute was primarily developed so as to develop and groom

future talents in the company. The entire organization has restructured its compensations and reward system in order to match the performance of its employees, business needs and the growing scale of operations. The company started following a variable pay structure. It also follows 360 degree performance appraisal system.

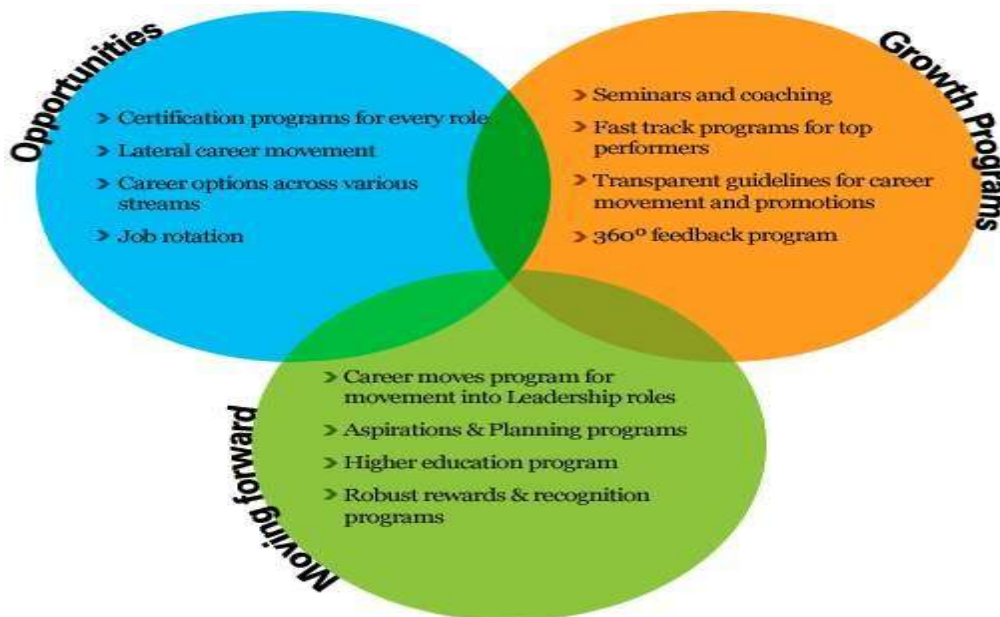
As part of its inclusive HR policy, Infosys has opened a satellite Centre in the heart of the city to enable employees (particularly new and to-be mothers) to cut down on travel time to work. The company has also given an opportunity to its employees to opt for a one-year sabbatical at any point in their careers. This could be used for childcare, eldercare, higher studies or for health reasons. These practices at Infosys help its employees to balance their work life better.

#### **Corporate Citizenship**

Infosys is actively involved in various community development programs. Infosys have taken initiatives to work in the areas of Research and Education, Community Service, Rural Reach Programme, Employment, Welfare activities undertaken by the Infosys Foundation, Healthcare for the poor, Education and Arts & Culture. Infosys Foundation has worked to support the underprivileged in society and enrich their lives. Promoted by Infosys Technologies Limited, the Foundation began its work in Karnataka, India, gradually extending its activities to the states of Tamil Nadu, Andhra Pradesh, Maharashtra, Orissa and Punjab. Since its inception, the Foundation has initiated several activities that benefit the rural and urban poor in the areas like Health, Education, and Women Empowerment and so on. Apart from constructing hospital wards, donating hi-tech equipment and organizing health camps, the Foundation also distributes medicines to economically-weaker sections in remote areas. The Foundation also offers an edge to deprived and rural students, through its activities such as donating books to rural schools, Libraries in rural government schools, etc. As a part community development program, Infosys identified students from schools and universities and trained them.

#### **Carrier development**

Infosys provides its employees with every possible opportunity to inspire them- to make them go beyond what they think might be possible. At Infosys, growth is vertical. Growth is lateral. Growth is incremental. Growth is exponential. Career Path Architecture of Infosys is explained below.



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

The way that Infosys has managed to increase hiring so rapidly while upholding the quality of the talent recruited is through their excellent corporate image and a culture based on principles highly valued by knowledge workers, such as professional freedom, openness, innovativeness and opportunities to learn. Infosys has been taking several steps to improve its brand attraction and to develop and sustain an appropriate 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.

### Case: III-Wipro

After starting off as a small producer of cooking oil in 1945, Wipro, one of India's most admired companies, is today a large diversified corporation by Indian standards. In quick time, Wipro has built three new businesses - enterprise solutions, infrastructure management and business process outsourcing that together account for 30% of total software revenues. As a strategic Human Resource Management (HRM) technique to become a business leader in the competitive environment, Wipro has initiated a system called People Capability Maturity Model (PCMM).

### CSR activities

AzimPremji Foundation set up with financial resources contributed by AzimPremji, Chairman, Wipro Corporation, is a glaring example

of initiatives which are very strategic and systemic in nature. Its vision is to significantly contribute to quality universal education as a foundation to a just, humane and equitable society. It is also one of those very few initiatives with children as major focus of its work. The foundation aims at making a tangible impact on identified social issues by working in active partnership with the Government and other related sections of the society. The Foundation, believes that education is the vital element in the development and progress of India. The foundation has stated objectives to influence Policy and Systemic Issues. It also aims at capacity building of a variety of stakeholders. The programmes, initiatives and efforts of the AzimPremji Foundation revolve around creating effective and scalable models that significantly improve the quality of learning in the school and ensure satisfactory ownership by the community in the management of the school. Wipro inculcates CSR values amongst its workforce right at the beginning during the induction process. It also aims at providing rehabilitation to survivors of natural calamities. The Women of Wipro (WOW) council launched various initiatives to facilitate, enable and empower women employees. EcoEye is Wipro's initiative towards ecological sustainability that has today become a concerted organization-wide program. Wipro has also initiated various environmental and social sustainability activities with the focus on Community Welfare, Education, Employee Welfare, Energy, Environment,

Healthcare, Physically Challenged, and Poverty Eradication and so on.

### **Culture @ Wipro**

Wipro laid a strong emphasis on shared beliefs and leadership values. Over the years, Wipro had built a strong and powerful top-management team of professionals. By and large, Wipro filled up senior positions from within, except for some specific specialized requirements. "People come first" is an emotion experienced by every Wiproite. Wipro provides right atmosphere of work and career Growth for its employees and ensures that working at Wipro is an enjoyable experience. The initiatives like 360 degrees appraisal system and skip level feedback encourage feedback at all levels. Employee perception survey is conducted annually by an external agency helps to understand the requirements for high employee morale. Wipro strive to provide an environment that is stimulating with high levels of motivation, empowerment and recognition, removing obstacles that hinder creativity. Potential is recognized and opportunities for further learning are provided at Wipro.

Wipro Leaders Program helps to take on the challenge for successfully heading large and strong teams. The program is designed to identify the specific actions and attitudes that constitute the Wipro leader's qualities. The hard work and contribution of each employees will never go unnoticed at Wipro. Wipro recognizes the contribution of their long serving colleagues through a comprehensive reward programme - Schemes include holiday packages with special facilities. The Compensation package is among the best in the industry and it is aimed at retaining existing talent. The package caters to all positions across Wipro. Rewards for each position are based on performance, potential, criticality and market value. Wipro also offers various benefits like comprehensive medical assistance program, reimbursement scheme, and educational assistance plan, employee empowerment through stock options, etc.,

### **III. CONCLUSION**

Though few and far in between, there have been instances of Indian companies branding themselves to prospective and current employees. Some of course, have done it inadvertently. 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 fresher's'. Mr Sinha says though none of them attempted employer branding as a well-thought

plan, employees began to associate these takeaways with the respective companies. These are expressed by Mr. Bhatnagaras-Infosys, Wipro and TCS did not intentionally build their brands; rather, they focused on building a productive workplace, resulting in happy employees, and their brands were the result of that foundation. Thus the case studies in this article prove this point.