

## A Study on Identifying the Employer Image Perceived by Employees in IT Sector

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### ABSTRACT

*Attracting the right talent and retaining them becomes a critical aspect for business success. In competitive labour markets, the challenge for service-based organizations is to differentiate themselves in order to successfully attract and retain talented staff. The main objective of this paper is to study the influence of employer image towards employees in IT industry. The primary data collected through structured questionnaire from 750 respondents of IT companies in Chennai is used for the study. In order to measure the level of employer image few dimensions are suggested such as organizational trust, perceived organizational prestige, perceived organizational fit, organizational identification and perception of organizational support opined by the respondents.*

### Keywords:

Trust, Prestige, fit, identification, perception, Employer Image

### CONCEPTUALIZING EMPLOYER IMAGE:

There is no one accepted definition of a "good employer" and the meaning given to the concept is likely to be a matter of perspective. good employer is one that fully complies with its legal obligations to its employees, that interacts with its employees in good faith, that maintains and develops good/best practice HRM policies and that recognizes an employee's investment in their employment and takes steps to minimize the undermining of that investment.

#### *The image*

Having a reputation as a good employer is important for HRM purposes, most obviously for attracting new staff, retaining current staff, and for achieving social legitimacy. Hence in recent years the discipline of marketing has been applied not only to purveying an organizational image to customers and potential customers, but also to employees, potential employees and the community at large. The notion of an employer brand is heavily used by some organizations for applicant attraction during recruitment processes.

A range of international research shows that the image of an organization is an important factor in job applicants' evaluation of employers. Employer brand is described as—a clear view of what makes a firm different and desirable as an employer. However, a growing HRM literature on the notion of the psychological contract reinforces the importance of ensuring the recruiting image of the organization is an accurate one that can be delivered upon when an applicant becomes an employee. Non delivery of brand promise can impact negatively on the organization and its employees.

### REVIEW OF LITERATURE

Studies reviewed on the dimensions of Employer Image is consolidated and presented below:

Sang (1971), in his study analyzed the determination and correlates of scientist's organizational identification. The author found important determinants of the organizational identification as well as certain differences in personal and job variables, job attitudes, and motivation between scientists with high organizational identification and those with low organizational identification.

According to Smidts et al., (2000), Employees' Organizational Identification is measured in a customer service organization. Particularly the effects of employee communication and perceived external prestige on Organizational Identification were evaluated. Results show that employee communication affects Organizational Identification more strongly than perceived external prestige. One aspect of employee communication, the communication climate, appears to play a central role: it mediates the impact of Organizational Identification on the content of employee communication. The results suggest the importance of how an organization communicates internally is even more vital than the question being communicated.

Shockley et al., (2000), in their article described the construct of organizational trust as positive expectations individuals have about the intent and behaviors of multiple organizational members based on organizational roles, relationships, experiences, and interdependencies. The development and testing of a 5-dimensional model of

organizational trust (competence, openness and honesty, concern for employees, reliability, and identification) is presented. The model, in turn, is related to employee job satisfaction and overall perceptions of organizational effectiveness. The author's model implied for managers, human resources, and organization development practitioners.

Jerry et al., (2006), in their study on the perceived status of the organization's employees found that the organization's perceived success in achieving its goals, the visibility of the organization, and the status level of the individual employee were all associated with perceived external prestige. The results indicate the visibility within the organization; perceived opportunities for growth, and participation in decision-making were all related to perceived respect. Further, prestige and respect were directly related to organizational identification and indirectly related to organization-supportive behavior.

**OBJECTIVE**

- To study the degree of relationship among Employer Image Dimensions

- To study the demographic influence on the employer Image at varied levels as perceived by the employees in IT sector

**METHODOLOGY**

Descriptive research design was used for the study. The primary data was collected through structured questionnaire. There are 1346 registered IT companies in India out of which 160 companies were found in Chennai region<sup>1</sup>. The total number of respondents considered for this study is about 750 respondents. The IT companies are stratified in to Tier 1, Tier 2 and Tier 3 companies. Five companies are selected from each Tier companies and 50 respondents are randomly selected from each.

**ANALYSIS AND DISCUSSION**

**Correlations**

The following table shows the correlation analysis between selected dimensions.

**Table 1: Correlations between Selected Dimensions for Employer Image Descriptive Statistics**

SELECTED DIMENSIONS	Mean	SD	N
Organizational Trust	14.3627	1.89065	750
Perceived Org. Prestige	14.2173	2.78408	750
Perceived Org. Fit	13.2547	3.09665	750
Organizational Identification	14.3933	3.89566	750
Organizational Support	13.7027	3.13614	750

**Correlations**

	OT	POP	POF	OI	OS
Organizational Trust <i>r-value</i>	1	-.008	-.020	.064	.000
<i>p-value</i>		.818	.582	.078	.994
Perceived Org. Prestige <i>r-value</i>	-.008	1	.224**	.017	.164**
<i>p-value</i>	.818		.000	.650	.000
Perceived Org. Fit <i>r-value</i>	-.020	.224**	1	.443**	.242**
<i>p-value</i>	.582	.000		.000	.000
Organizational Identification <i>r-value</i>	.064	.017	.443**	1	.364**
<i>p-value</i>	.078	.650	.000		.000
Organizational Support <i>r-value</i>	.000	.164**	.242**	.364**	1
<i>p-value</i>	.994	.000	.000	.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Correlations**

		OT	POP	POF	OI	OS
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	<i>p-value</i>	.582	.000		.000	.000
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	<i>p-value</i>	.078	.650	.000		.000
Organizational Support	<i>r-value</i>	.000	.164**	.242**	.364**	1
	<i>p-value</i>	.994	.000	.000	.000	

  

Rank	Variable 1	Variable 2	Correlation value
1	POF	OI	0.443
2	OI	OS	0.364
3	POF	OS	0.242
4	POF	POP	0.224
5	POP	OS	0.164

Table 1 exhibits the correlation analysis between selected dimensions for employer image. The analysis tested at 5% level of significance; the highest value of correlation identified between perceived organizational fit and organizational identification (0.443). Second highest value identified between organizational identification and organizational support (0.364). Perceived organizational fit with organizational support lies in the third position (0.242). Similarly highest value identified between other relationships such as perceived organizational fit & perceived organizational prestige (0.224), perceived organizational prestige & organizational support (0.164). It is also noticed from the resultant table that 50 percent of dimensional combinations are found significant relationship with other dimensions, whereas the remaining 50 percent of dimensions are failed to obtain the relationship. Among the list, the organizational trust dimension is not found a significant relationship with other dimensions.

The key finding observed from the analysis states that organizational trust dimension has no relationship with other dimensions proposed for employer image. Hence, keeping this dimension for abstraction (employer image) may reduce the quality of prediction.

**CHI-SQUARE ANALYSIS**

This section describes chi-square analysis between demographic profile of the respondents and their level of employer image. Ultimate aim of this section is trying evaluate the demographic factors of the respondents has any significant association with level of employer image. Following table shows the test of associationship between demographic factors and employer image level.

*H<sub>0</sub>: Demographic factor has no significant influence on the level of employer image*

*H<sub>1</sub>: Demographic factor has significant influence on the level of employer image*

Test Factor	$\chi^2$	df	<i>p-value</i>	Significant
Gender	0.628	2	0.731	NS
Age	52.845	8	0.000*	S
Marital Status	70.770	4	0.000	S
Educational Qualification	55.372	6	0.000	S
Total Experience	41.129	10	0.000	S
Experience in the Organization	41.306	10	0.000	S
Salary	15.913	8	0.044	S

\* Significant at 5% level

It is observed that Age group, Marital status, Educational qualification, Total Experience, Experience in the Organization and Salary of the respondents are found to have significant association with level of employer image while gender of the respondents has no significant association with the level of employer image. The distribution pattern shows majority of both gender groups have attracted at high level towards employer.

## CONCLUSION

Designing and implementing an employer Image strategy and building a positive reputation brings many benefits such as easier and more effective recruitment, more candidates with better skills, increased motivation, engagement and improved efficiency at work. Moreover, it not only helps build the company's reputation among current and future employees, but also business partners. We need to realize that the best source of information about a company is its people, providing the strongest argument of all for investing in them – they may become the best company ambassadors, in turn positively influencing and improving the future recruitment of skilled employees.

## REFERENCES

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- [5] J Sullivan and W Wong *Deal or no deal? An exploration of the modern employment relationship* (The Work Foundation, London, 2009).
- [6] A popular practice with public sector organisations due to the State Sector Act 1988 requirement for them to be 'good employers', and promoted in the New Zealand public and private sectors by organisations like the EEO Trust ([www.eeotrust.org.nz](http://www.eeotrust.org.nz))
- [7] <http://www.kenexa.com/Best-Workplaces>;
- [8] <http://www.eeotrust.org.nz/awards/awards.cfm>
- [9] <http://www.sustainableawards.org.nz/>

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<sup>1</sup> NASSCOM - <http://members.nasscom.in/CompanySearch/FreeSearch.aspx>