ABSTRACT

Today, an organization's ability to attract, recruit, and retain skilled and talented human resources from labor markets has become a strategic component of its success. To attract such employees, businesses began implementing branding practices and principles in the field of human resource management, and the concept of 'Employer Branding' has grown in popularity among businesses. As a result, the purpose of this paper is to survey the position and accomplishments of Employer brands in Iranian organizations. This study's data was gathered from three organizations in the oil industry: excavation, oil, and gas. Two samples were used, and questionnaires were distributed to each of them (consisting of 107 managers and 264 employees). According to the findings of this survey, the constructs of employee attraction, organizational identity, and organizational culture have been identified as components of employer branding and have a significantly high mean in those organizations. Furthermore, EB is linked to talent retention, corporate citizenship, HRD climate, and talent attraction, with the most significant impact on talent attraction and retention. Then it has the most significant influence on corporate citizenship and the HRD climate.

Keywords:
Employer Branding, Iranian Organizations and Oil Industry
Introduction

Today, the capability of organizations to attract skilled and talented human resources from the labor markets has become a strategic portion of their success (Alnıaçık & Alnıaçık, 2012). The employee, being the most significant internal stakeholder for every business, needs to be paid remarkable consideration by the employer to reinforce the emotional linkage between the two, as the success of a business largely depends on a conducive work environment resulting from desirable employee-employer relations (Budhiraja & Yadav, 2020).

In order to attract such employees, firms need to build stronger employer brands to attract, motivate, and retain employees (Kuepper et al., 2021). Having an employer brand has become of the greatest importance for many companies and organizations since it was first described in academic literature in 1990s (Špoljarić & Ozretić Došen, 2023). The concept of ‘Employer Branding’ has attained considerable importance amongst organizations as a new concept Employer brand is a new branch of enterprise brands. When organizations attempt to change, varied organizational structures and inertia behavior for systems and strategies appear, because of the experience that previous models created, or because organizations were bound by fixed operating procedures (Moradi et al., 2021). Employer branding is considered as a considerable organizational strategy related to increased competitive advantage (Kele & Cassell, 2023).

Employer brand is the combination of functional (e.g., training), psychological (e.g., team spirit), and economic (e.g., salary) benefits that a firm offers its employees. Employer branding is ‘the package of psychological, functional and economic advantages provided by employment, and recognized with the employing company’ (Lindholm, 2018).

As well as, Minchington (2010) also defines “employer branding as ‘the image of your organization as a ‘great place to work’ in the mind of current employees and key stakeholders in the external market (active and passive candidates, clients, customers, and other key stakeholders)” (Parmar, 2014). The major objectives of EB can be separated into two classes; they are internal and external. The internal functions of EB relate to relationships with already working in the organization employees and serve the purpose of increasing loyalty and inclusion, reducing staff turnover, adapting newly hired employees, and accelerating.

The external ones point out to the recruitment process and serve to enhance the efficiency of the staff selection. These objectives include the following items: improving the quality of responses and incoming curriculum vitae (CV), increasing the number of responses to the vacancies, reducing time and costs of closing vacancies, increasing the share of responses of unique specialists, reducing the number of refusals when inviting candidates, increasing the number of recommendations for selecting and improving the quality of referrals (Tikhonov, 2019).

EB has become important for HRM and its principles are applicable to human resource management and is noticed as a resource for competitive advantage (Yaqub & Khan, 2011) but less consideration is paid to the application of branding in the area of HR (Khan & Naseem, 2015). Therefore, the objective of this paper is to investigate achievements and position of Employer Brand in Iranian organization.

Figure 1 shows that the organization can establish the organizational identity and the organizational culture by EB strategy, both of which affect the loyalty of the employees. The loyalty of the employees leads to productivity within the company (Parmar, 2014).
**Reasons for the development of employer branding**

The current business environment is linked with the challenges of fierce worldwide competition, swift technological advancements and a gradual increase in the value of employees' knowledge. The new world is a world of technology branding and technology leads to continuous promotion of processes, improvement of quality, and a decrease in the final price of the manufactured products. (Moradi, 2023).

As a result, the demand for independent, marketable, talented, skilled individuals, especially young graduates, is rising day by day. It all now depends on the employer brands that how they attract these graduates in influencing their decisions to opt for their organization (Khan & Naseem, 2015).

As EB aims to 'win the talent competition' [8], an increasing set of research evidence supports the relationship between the attraction and retention of talent and employer brand (Botha et al., 2011). EB can ensure an organization has visibility amongst potential talent and excellent employees and make the organization become the first opt of them; it is a good means to introduce the organization to excellent talents (Chunping & Xi, 2011). There are many reasons why the demand to recruit and retain talent staff has become such an essential matter for organizations. Foremost is the rising level of cognition of the importance of experience and knowledge of employees, human capital, and the skills as sources of value to the organization and its shareholders (Arachchige & Robertson, 2013).

Furthermore, Gostick and Elton (2007) have reported that employees will stay where there is:

- work-life balance
- opportunities for employees' growth and professional Development
- the quality of relationship with managers
- a feeling of making a difference, a meaningful task, and sufficient training (Felfe, Schmook, Schyns, & Six, 2008)

Therefore, the quality of their relationship with their manager or employer is one of the most important factors to employees when choosing to work for a specific company. Now, various questions come up:

Q1: "What is the most important factor for Iranian employees when choosing to work for a specific company? What is the employer brand's position in Iranian organizations?"

**Employer branding advantages**

A strong employer brand is critical in attracting qualified candidates and retaining already employed personnel. Studies indicate that well-established EB increases employee loyalty, decreases the
Turnover Rate, and enables employers to attract talent at lower compensation levels (Park & Zhou, 2013). When EB is correctly designed and implemented, compelling employer brand strategies can deliver high-impact and long-term outcomes, including:

Competitive advantage, Greater workforce diversity, employee communication, etc. Table 1 shows the employer branding advantages.

Table 1.
Employer branding benefits

<table>
<thead>
<tr>
<th>Employer branding benefits</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simplify opportunities and expectations; facilitates the interaction between employees and the company;</td>
<td>Ada et al (2023)</td>
</tr>
<tr>
<td>Competitive advantage; significantly enhanced talent pipeline; increased employee engagement levels; greater workforce diversity; stronger corporate culture;</td>
<td>Figurska &amp; Matuska (2014)</td>
</tr>
<tr>
<td>Increased support for the organization and brand; increased shareholder value;</td>
<td>Alniaçık et al, (2014)</td>
</tr>
<tr>
<td>Reduce recruitment costs; team and organizational engagement;</td>
<td></td>
</tr>
<tr>
<td>Attract talents at lower compensation levels; increase employee loyalty; decrease turnover Rate;</td>
<td>Park and Zhou (2013)</td>
</tr>
<tr>
<td>Inspired leadership; employee communication; performance management; training and development; physical workspace; corporate citizenship;</td>
<td>Love and Singh (2011)</td>
</tr>
<tr>
<td>Stability of current employees, continuous development of current employees retaining the most valuable knowledge</td>
<td>Urbancová, &amp; Hudáková, (2017)</td>
</tr>
</tbody>
</table>

As mentioned, EB has various benefits in the organization. The three main advantages of employer branding in organizations identified by Hewitt Associates are enhanced attraction, retention, and engagement (Mosley, 2009). Moreover, EB made increased employee satisfaction, improved employee relations, reduce recruitment costs and etc. Thus, our tertiary question is: Q2: What is employer brand's consequence in Iranian organizations?

Literature review
The concept of EB has recently become a notable topic in the HRM area. The employer brand is derived from marketing. The application of branding principles to human resource management has been termed "employer branding" (Tuzuner & YÜKSEL, 2009); the term' employer brand' was first conceptualized by Ambler and Barrow (1996) it was conducted that, "The Employer Brand" conducting in in-depth interviews with respondents from several companies, they concluded that the concept of branding could also be applied to the employment situation (Alniacik & Alniacik, 2012). From EB's point of view, HR retention and development are important.

All studies and researches affirm that a strong employer brand assists all organizations. It is a critical factor in attracting qualified candidates and in retaining already employed personneel. (Franca & Pahor, 2012). Cable and Turban (2003) considered the strong employer brand's positive impact on an individual's organizational membership, while Collins and Stevens (2002) emphasized the significance of external marketing for employer branding.

Lemmik et al. (2003) researched a sample of Dutch students. They discovered that employer and corporate brands had an independent and statistically significant impact on the applicants' intention to request a job at a particular organization (Franca & Pahor, 2012). Foster et al. (2010) exploring the
relationship between employer, corporate, and internal branding indicated that there are inter-relationships among the three branding concepts. Employer branding plays a critical role in the performance of employees. Parmar (2014) revealed the importance of HR branding to engage employees. Figurska and Matuska (2014) stated that employer branding is a recommended strategy for modern human resource management, and there is a relationship between employer branding determinants and human resource processes.

Kucherov and Zavyalova (2012) also studied HR development practices and talent management features in organizations with employer brands. Figurska and Matuska (2014) expressed that implemented employer branding plans bring many advantages to organizations in the area of HR; for example, it raises talent retention rate and employee engagement and decreases the rate of absence in work or employee’s fluctuation.

Besides, companies with strong employer brands can reduce the cost of employee acquisition, improve employee relations, increase employee retention, and even offer lower salaries for comparable staff to firms with weaker employer brands (Ritson, 2002).

EB also helps to build trust in leadership, retain talented individuals and develop stronger bonding linkages through its effect on individual, team, and organizational engagement, decrease recruitment costs by promoting recruitment, and improve organizational culture (Alınçı et al., 2014), increase employee loyalty and reduces turnover (Chhabra & Sharma, 2014), enables the employer to attract talents at lower compensation level (Park & Zhou, 2013).

According to the current findings and previous studies, a conceptual model of the employer branding process has been developed and presented.

**Figure 2.**
*Conceptual Model*

![Conceptual Model Diagram](image-url)

**Methodology**

**Sample**

Data from this research was gathered from three organizations in the Oil Industry, including Excavation, Oil, and Gas organizations (important properties of the organization: Great number of candidates for employment and having a strategy and program in the HRM field).

Two samples were used. The first sample consisted of 107 managers (N=148, The number of managers selected with Cochran formula) (95% men, 5% women; mean age 41.2 years, SD= 9.8 years). Their average management tenure was 6.50 years (SD=6.4 years).

The second sample consisted of 264 employees (N=849, The number of employees selected with the Cochran formula) (80% men, 20% women; mean age 31.2 years, SD= 7.7 years). Their average tenure was 13 years (SD=7.4 years).

**Measures**
The survey instrument was questionnaires, which were aimed towards comprehensive examines of employer brand's position and its consequence in Iranian organizations. The authors preferred to follow a quantitative method of research.

Employer branding: Since EB has 3 dimensions, we used different questionnaires to be distributed among managers.

Organizational Culture was measured by Denison (2000), which uses 60 items with 4 dimensions ($\alpha = 0.90$). The “employer attractiveness” scale has 25 items corresponding to the psychological, economic, and functional benefits shaped by Ambler and Barrow’s (1996) definition of employer branding [14]. Respondents are asked to indicate to what extent they consider the listed items important in choosing an employer. ($\alpha = 0.91$). Organizational Identity is measured by Mael and Ashforth’s (1992) five-item organizational identification scale ($\alpha = 0.79$). in the end, we asked managers to mention Common organizational attributes which are identified to attract people to organizations.

Employer branding consequence: Since EB has a different consequence, we used 4 questionnaires and distributed them among employees.

Talent management (talent retention and attraction) was measured by 36 items on the Talent management questionnaire ($\alpha = 0.92$) (Kucherov & Zavyalova, 2012), and OCB was measured by William and Anderson’s (1991) OCB instrument. Which uses 13 items for individual and organizational OCB? An example of this item is "I convey useful information to colleagues." Internal reliability for this instrument was $\alpha = .94$, HRD climate measured with 20 items from Dash et al. (2013), ($\alpha = .84$).

Analyze
To answer the first question, "What is the most important factor to Iranian personnel when choosing to work for a specific organization? And what is the employer brand's position in Iranian organizations?" We use a different method.

Common organizational attributes identified to attract people towards organizations are attention to talent, training and development, job security, corporate citizenship, brand name, strong management, corporate culture, career progression opportunities, flexible working, and work-life balance Figure 3 shows these factors (in %).

As it is seen in following, attention to talents is identified as the most important factor when choosing to work for a specific organization, then training and development, corporate culture, job security were other significant factors, the importance of these factors are different in three organizations:

In the first organization (n=35), attention to talent (19%) and training and development (13%) were important factors that people attended to it when choosing to work for an organization. While in the second organization (n=35), job security (15%) and strong management (14%) were important factors.

In the third organization (n=37), training and development (17%) and strong management (15%) were important factors.
Figure 3.

What is the most important factor to Iranian's employees when choosing to work for a specific company?

To answer the second part of the first question, "What is the employer brand's position in Iranian organizations?", we used confirmatory factor analysis and One-Sample Test. Table 2 shows Factor loadings and $R^2$. Factor loadings for all dimensions of EB are top 0.5 which is an acceptable rate.

Table 2.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Factor loadings</th>
<th>$R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Identity</td>
<td>0.628</td>
<td>0.69</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>0.555</td>
<td>0.43</td>
</tr>
<tr>
<td>Attraction Employer</td>
<td>0.788</td>
<td>0.58</td>
</tr>
</tbody>
</table>

$p < 0.01$ for all estimates

Table 3 provides useful descriptive statistics, including the mean and standard deviation.

Table 3.

One-Sample statistics (managers)

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Divination</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>EB</td>
<td>107</td>
<td>3.65</td>
<td>0.367</td>
<td>0.3553</td>
</tr>
</tbody>
</table>

Table 4 provides the actual results from the independent t-test. Based on this table, the t-statistic is 102.827 with 106 degrees of freedom. The corresponding two-tailed p-value is 0.000, which is less than 0.05. We conclude that the mean of variable EB is more than 3. Therefore, we conclude that EB has a significantly higher mean in organizations.

Table 4.

One-sample test

<table>
<thead>
<tr>
<th></th>
<th>T</th>
<th>df</th>
<th>Sig</th>
<th>Mean Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>EB</td>
<td>102.827</td>
<td>106</td>
<td>0.000</td>
<td>3.65</td>
</tr>
</tbody>
</table>
According to information obtained from the first questionnaire, we selected 264 respondents from three organizations to answer the second question, "What is the employer brand's position in Iranian organizations"?

In light of the principal components analysis results, these variables are used to test the research questions. The means, standard deviations, and interrelations of the variables are presented in Table 3. To test the suggested model, path analysis was conducted using LISREL 8.7. Figure 4 shows the obtained coefficient for the suggested relationships among the model variables. GFI, AGFI, CFI, and RMSEA were the fit indices used to evaluate the model.

**Figure 4.**
*Relationships among the variables*

In general, the recommended level of acceptable fit for GFI, AGFI and CFI, is 0.90 or above 0.90. As for, RMSEA, the recommended value should be less than 0.08. With reference to fit indices the model had a good fit with the sample data.

**Table 5.**
*Model fit summary for hypothesized measurement model*

<table>
<thead>
<tr>
<th>Model</th>
<th>GFI</th>
<th>AGFI</th>
<th>CFI</th>
<th>NFI</th>
<th>NNFI</th>
<th>RMSEA</th>
<th>IFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hypothesized Model</td>
<td>0.966</td>
<td>0.95</td>
<td>1.00</td>
<td>0.901</td>
<td>0.979</td>
<td>0.000</td>
<td>0.877</td>
</tr>
</tbody>
</table>

Table 6 shows the Bivariate relationship among the variables, as well as. From this table, we can observe that all the variables are significantly correlated. All the relationships are positive between EB and talent retention, corporate citizenship, HRD climate, and talent attraction.

**Table 6.**
*Means, standard deviations, and correlations among variables involved in the model*

<table>
<thead>
<tr>
<th>Variable</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>EB</td>
<td>3.65</td>
<td>9.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talent's Retention</td>
<td>4.85</td>
<td>0.501</td>
<td>0.789**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Citizenship</td>
<td>3.66</td>
<td>0.425</td>
<td>0.516**</td>
<td>0.576**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>HRD climate</td>
<td>3.20</td>
<td>0.412</td>
<td>0.621**</td>
<td>0.432**</td>
<td>0.721**</td>
<td>1</td>
</tr>
<tr>
<td>Talent's Attraction</td>
<td>4.34</td>
<td>0.811</td>
<td>0.889**</td>
<td>0.701**</td>
<td>0.331**</td>
<td>0.489**</td>
</tr>
</tbody>
</table>

N = 720, **P<0.01, * p < 0.05

This reflects that prevalence of high level of EB in Organization cause the increase of these variables (r=0/889, 0/716, 0/521, 0/689, p<.01, respectively).
Discussion and conclusion

Today, the capability of organizations to attract, recruit and retain skilled and talented human resources from the labor markets has become a strategic portion of their success. In order to attract such employees, firms started utilizing branding practices and principles in the area of HRM, and the concept of 'Employer Branding' has attained considerable importance amongst organizations. Therefore, employer branding is becoming increasingly critical, and organizations have to care about their employer brand to attract talent. This phenomenon prevails almost the entire world. This paper aims to survey the position and consequence of Employer Branding in Iranian organizations. The study examined the position and consequence of Employer Brands in Iranian organizations and in a sample of three organizations selected.

The findings of this study show that the constructs of organizational culture, employee attraction, and organizational Identity have been considered components of EB (with factor loading: 0/628, 0/555, and 0/788, respectively), and it has a significantly higher mean in those organizations (M=3.65). The findings of this research paper show that respondents strongly agree to those items which indicate their desired organization as an excellent employer, and they feel pride to become part of that organization. In these organizations, managers are aware of this concept, and they stated that attention to talent is the most important factor when people choose to work for those organizations. Training and development, corporate culture, and job security were essential factors. These results confirm the findings of Gostick and Elton's (2007) study that employees will stay where there is a quality relationship with managers, work-life balance, opportunities for personal growth, professional development, and a feeling of making a difference, meaningful work, and adequate training.

On the whole, the employer brand could be an efficient tool to improve employee processes. The results of this study also highlight the significance of "EB" for attention to employees. Because EB employers can lead to strengthened candidates, the present study organization has given importance to those items.

Lately, the concept of EB has become an important issue in HRM, and it has relationships with work performance. This study showed that EB has a relationship and is correlated with talent retention, corporate citizenship, HRD climate, and talent attraction (r=0/889, 0/716, 0/521, 0/689, p<.01, respectively). Also, EB has the greatest impact on talent attraction and retention. Then it has the greatest impact on corporate citizenship and HRD climate (factor loadings: 0/95, 0/92, 0/88, and 0/87, respectively). This Result supports the findings of Alıaçık et al. (2014), Park and Zhou (2013), Figurska and Matuska (2014), and Love and Singh (2011). They reported relationships between EB and shareholder value, team and organizational engagement, Competitive advantage, corporate citizenship, strategic plan that promotes 'best employer HR practices', and talent retention and attraction. As this study mentions, one of the most significant achievements of EB is the increase in attracting talent. The practical implication of the study can be helpful for organizations because they can use better employer branding techniques for making talent retention and attraction techniques. The combination of employer branding and talent management can make the organization for existing and potential employees. On the other hand, EB increases corporate citizenship and HRD climate; strong EB and reputation as an employer can lead to higher corporate citizenship, engaged employees, less turnover, and ultimately increased organizational performance.

Reference


Franca, V., & Pahor, M. (2012). The Strength of the Employer Brand: Influences and Implications for Recruiting. Journal of Marketing and Management, 3(1), 78-122,


