Employer Branding

Measuring the practical effects of a theoretically sound EVP

A Case Study of ABB

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Abstract

Course
Bachelor Thesis in Business Administration, 15ECTS

University
Mälardalen University
School of Business, Society and Engineering (EST)

Examiner
Eva Maaninen-Olsson

Research Question
How is the implementation and use of employer branding performance measurement as proposed by this research, limited by current internal barriers in organizations?

Purpose of Research
The purpose of this research is to develop a method to measure the performance of employer branding. To do so, a set of performance indicators to be tested and further developed by future research is created within three different stages of the employer branding process. Attraction, Selection and Retention indicators should be used as a way to ensure that an employer branding campaign is yielding in practice the results that are expected from it in theory. Finally, the method developed will be scrutinized by employer branding professionals to identify the current limitations of performance measurement in practice.

Method
The research was based on a case study framework using a deductive approach. It used a qualitative research method and the empirical findings were based mostly on primary data gathered through semi structured interviews. Secondary data was used to gather information regarding ABB Sweden. The theoretical framework was developed using existing academic research data gathered using Mälardalen University’s library and online databases where scientific articles and books were explored.

Conclusion
The key performance indicators proposed in this research are a solution for increasing the accuracy of appropriate applicant selection, thereby optimizing the employer branding campaign. However, barriers such as; low integration between functions, poor internal communication, inappropriate resource allocation, lack of manager autonomy as well as the lack of relevant performance measurements, are slowing the development of employer branding. That makes it harder to achieve the level where internal measures of performance as the ones presented in this research can be applied. Nevertheless, as the experts and professionals interviewed in this research point out, solving the problem discussed in this research with the solution proposed is considered to be the future of employer branding.
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7th of June, 2013, Västerås

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Glossary

Brand
A brand can be defined as “a name, term, sign, symbol, or design, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors” (Keller, 1993, p. 2).

Brand image
The perceptions about a brand as reflected by the brand associations held in the consumer memory (Keller, 1993).

Brand identity
Visual and vocal elements such as the name, logo, colors and symbols which identify the brand (Keller, 1993).

Brand associations
The thoughts and ideas that a brand name evokes in the mind of consumers (Backhaus & Tikoo, 2004).

Brand loyalty
“A deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior” (Oliver, 1999, p. 34).

Employer Brand loyalty
The commitment that employees make to their employer, can be conceptualized as being shaped by a behavior element that relates to organizational culture and an attitudinal element that relates to organizational identity (Backhaus & Tikoo, 2004).

Human Resources
Department or division in an organization focused on activities relating to employees. Recruitment, orientation and training are examples of activities conducted by this department.

Employer branding (EB)
A strategic approach to harness the firm’s identity based on its values, current employees and external interest, communicating that identity externally in the form of an employer brand that appeals to the
right potential applicant and reflects a sense of personality to all stakeholders.

**Employer Brand**

The package of functional, economic and psychological benefits provided by employment, and identified with the employing company (Sullivan, 2004).

**Employer Value Proposition (EVP)**

Carries the employer brand identity and its message, gives a reason for employees to work for the company and contains promises made by the firm to the current and potential employees.

**Key Performance Indicators (KPI)**

Quantitative and qualitative measures used to monitor an organization’s/process’ performance.

**Attraction Indicator**

Indicator used to reflect the performance of the attraction stage of the employer branding process.

**Selection Indicator**

Indicator used to ensure selection is done efficiently and by sticking to the firm’s EVP.

**Retention Indicator**

Indicator used to provide evidence of the quality of employees and the success of the previous two stages of the employer branding process; attraction and selection.

**Generation Yer’s**

Population group born between the year 1977 and 1994 by the baby boomers (Cui, Trent, Sullivan, & Matiru, 2003).

**Psychological contract**

An individual’s beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party (Rousseau, 1990).

**Internal Marketing**

Marketing efforts inside the organization aimed towards employees used in order to develop a workforce that is committed to the set of values and organizational goals set by the firm (Backhaus & Tikoo, 2004).

**Critical Success Factors (CSF)**

The organization’s performance that can determine ongoing health, vitality and wellbeing (Parmenter, 2010)
1. Introduction

The introduction provides an overview of this research paper and a background used to contextualize the research problem explored.

1.1 Background

The global business environment continues to become more complex. Industries are disappearing while new ones are quietly emerging. The flow of information is more intense, evident and efficient than ever, making this valuable commodity increasingly accessible as firms feel the fast paced growth of the new economy (Sullivan, 2004; Berthon, Ewing, & Hah, 2005; Moroko & Uncles, 2008). As if these macro events weren’t enough to push firms into developing stronger competitive advantages, powerful changes have also been tightening the supply of talent that firms desperately need (Chambers, Foulon, Handfield-Jones, Hankin, & Michaels III, 1998).

Partially responsible for the competitive new reality of today, the Generation Yer’s provided the demand of what is today the information society (Dyhre & Parment, 2009). The Yer’s form the new workforce which is nowadays substituting the professionals who ran the most important organizations the world has seen over the last decades. With the rise of emerging markets seeking skilled labor and predictions of record number of workforce retirees by 2050, a shortage of talent is eminent (Chambers et al. 1998; Moroko & Uncles, 2008).

The Yer’s view of professional life is different from the older generations. The relevance and the space that is fulfilled by work in their hectic lives are at times trivial, despite possessing the means to succeed professionally. Dyhre & Parment (2009) suggests this approach to be comparable to treating work as consumption of disposable goods, resulting in low employee loyalty to the firm. While in the past workers exchanged loyalty to the firm for job security, now firms have to provide marketable skills to workers in exchange for effort and flexibility (Backhaus & Tikoo, 2004). Research identifies this phenomena as the “new psychological contract” (Baruch, 2004), which coupled with increased market competitiveness and short talent supply is forcing employers to increase efforts to become “Employers of Choice” (Moroko & Uncles, 2008; Dyhre & Parment, 2009).

Firms are now faced with the task to adapt to the reality of this new worker if the goal is to maintain or develop internal competences and remain competitive (Dyhre & Parment, 2009). Valuable, rare, inimitable and nonsubstitutable competitive advantages are becoming scarcer and firms are more than ever having to rely on internal competences to remain competitive. That resonates with the resource based view of the firm which emphasizes internal resources as the major determinant of competitive success in organizations (Wernefelt, 1984; Wright, McMahan, & McWilliams, 1993). As a response to this need for adaptation and demands for global integration and local differentiation, firms around the
world have been focusing on the need to develop its human resource functions as a source of competitive advantages. A proactive strategic approach called Employer Branding has been causing changes on the way firms approach internal resources, especially in the case of this study, its human resources (HR) (Martin, Beaumont, Doig, & Pate, 2005; Brewster, Sparrow, & Harris, 2007).

In order to maintain or develop competitive advantages generated by the ultimate internal resource; employees (Ambler & Barrow, 1996), increased attention has been given to HR departments in firms across the world. But this attention is not due to the usual procedures that made HR departments an underrated but indispensable function in many organizations over the years (Martin et al. 2005). In fact, it is argued that HR departments have struggled to legitimize itself over the years as a contributor to a firm’s bottom line (Martin et al. 2005; Dyhre & Parment, 2009). The attention brought towards HR is a result of the branding phenomena, which has gained proven profitability reputation when applied to products.

Branding has also been applied to organizations in order to differentiate its identity as an employer of choice (Martin et al. 2005; Dyhre & Parment, 2009). Employer Branding has been perceived by some authors as an opportunity for human resource department of firms to be redefined as a coordinating function of this new process (Martin et al. 2005). The relationship between HR’s more strategic potential, such as instilling brand values into business processes, and employer branding is still developing. Therefore the strategic connection between marketing and HR departments is in its ascension (Dell, Ainspan, Bodenberg, Troy, & Hickey, 2001). However, employer branding is a relatively new phenomenon that has a unique power as proven by increased investments in its research and application, as well as the development of a new breed of consultants scattered across the world (Dell et al. 2001; Martin et al. 2005). Such growth creates the possibility of radical changes and opportunities to the field of HR, as employer branding is closely related to its concerns (Dell et al. 2001; Martin et al. 2005).

Organizations from a variety of industries which are committed to developing an identity as an employer and become an employer of choice engage in employer branding to promote its work practices and qualities both internally and externally (Backhaus & Tikoo, 2004). The firm that is the case study of this research, ABB Sweden, possesses clear objectives when it comes to its employer brand:

“ABB’s employer brand should engage, build and strengthen mutual relations with former, current and potential employees. ABB’s employer brand should support ABB’s strategic competence, both externally and internally, thereby contributing to ABB’s business.”

(Joakim Forsberg, ABB Sweden Employer Branding Manager)

According to the Conference Board Report on Employer Branding evidence provided by ABB, firms have been practicing employer branding for decades without addressing it by its name (Dell et al. 2001). With the popularization and formalization of the practice, clearer
consequences of its use have emerged. Some of the benefits point to increased competitive advantage, improved employee internalization of company values and support in employee retention (Dell et al. 2001). Another step in addressing the emergence of employer branding is the differentiation between an organization’s corporate brand and employer brand. The line between the two is still blurred in many organizations, but the differentiation is an important requirement for attracting and maintaining the scarce supply of talent available (Dell et al. 2001; Backhaus & Tikoo, 2004; Foster, Punjaisri, & Cheng, 2010).

ABB Sweden has incorporated employer branding in its Talent Acquisition HR Center, which works with recruitment and profiling of ABB as an employer. This is done both externally and internally, both practically and strategically through various forms of communication and activities. Such commitment allows the firm to develop a unique employer brand identity and value proposition that differentiates the firm as an employer, from its competitors.

“Employer branding promotes an employer brand to potential and current employees. An employer brand contains, similar to a consumer brand, a variety of associations. By influencing these associations an employer brand is built. An employer brand is thus based on internal and external associations that are unique to the company.”

(Talent Acquisition HR Center, ABB Sweden)

Internally, employee branding should increase the probability that employees become loyal to the organization and deliver quality performance (Backhaus & Tikoo, 2004). Employees that identify at a deeper emotional level with the firm and the employer brand are likely to become loyal and benefit the organization in many ways (Dyhre & Parment, 2009; Backhaus & Tikoo, 2004).

1.2 Problem Discussion

ABB Sweden is an example of success in the application of employer branding. The firm is currently considered the second most popular employer in Sweden among the public opinion (Linder, 2013). Success has so far been measured internally and externally from an employer attractiveness standpoint. This type of measurement usually includes the associations that are connected to a company as an employer and what is considered attractive in a workplace. It gives a picture of how an employer brand is perceived and what the strengths and weaknesses the company is associated with (ABB).

However, this measurement does not provide evidence of the internal performance of the employer branding process or its relevance to the performance of the firm (Dyhre & Parment, 2009; ABB). Scientific articles suggesting new ways of measuring employer branding as future research areas have been common over the last two decades (Ambler & Barrow, 1996; Dell et al. 2001; Backhaus & Tikoo, 2004; Jeanquart Miles & Mangold, 2004;
Martin et al. 2005; Moroko & Uncles, 2008; Dyhre & Parment, 2009; Edwards, 2010). That is reflected in practice by ABB’s interest in the topic:

“There are many factors that determine what a successful employer branding work entails. Recurring words when the discussion on the measurement of employer branding comes up are Return of Investment (ROI) and Key Performance Indicators (KPI). But what metrics are interesting to look at so that other benefits besides attractiveness are measured?”

( Joakim Forsberg, ABB Sweden Employer Branding Manager)

1.3 Problem Specification

Figure 1 is a graphic representation of the challenge faced by companies such as ABB when applying employer branding. As it shall be discussed in the theoretical framework section of this research, the employer brand is mainly represented internally and externally by the company’s employer value proposition (EVP). In theory, the messages and values that the EVP represents must ring true to current employees internally and simultaneously draw the attention and interest of the right potential employee externally. Consequently, in theory the right applicant is attracted and selected, then becoming the right employee for the organization (Dyhre & Parment, 2009). In practice however, as highlighted by professionals such as ABB’s employer branding manager, organizations are not certain that the applicants attracted and hired by the firm carry the message and values transmitted by the EVP.

The lack of internal employer branding measures result in uncertainty regarding the fulfillment of objectives of each stage present in the employer branding process. From attraction to selection and retention of employees, it is unknown to organizations such as ABB that the right applicant is being recruited even though the message being sent out by
the brand (EVP) is adequate and well thought out. That fact has implications that may jeopardize the whole process of building an employer value proposition (EVP), which is based on the internal values of the organization. More importantly, this lack of knowledge regarding internalization of appropriate applicants and values can seriously affect the long term objectives of employer branding and its success (Dyhre & Parment, 2009).

This research focuses upon this problem by developing a model to internally measure employer branding performance with key performance indicators (KPI’s), and then utilizes the empirical study to answer the following research question:

“How is the implementation and use of employer branding performance measurement as proposed by this research, limited by current internal barriers in organizations?”

1.4 Purpose of the research

This research proposes the creation of a set of KPI’s to objectively reflect the performance of different stages of the employer branding process. The stages where performance is to be measured are depicted in the conceptual framework model developed in this research (Figure 5 p. 19).

A solution (Figure 8 p. 35) is proposed for the research problem depicted in Figure 1, whereby better measuring the effects of employer branding in practice, managers cease to rely in theory based predictions of employer branding performance.

The solution developed is then scrutinized by employer branding professionals in the empirical study chapter. That is done in order to answer the research question which aims at identifying possible barriers that may limit the application of efficient employer branding performance measurement in organizations.

1.4.1 Purpose Discussion

The key performance indicators contextualized in the conceptual model developed (Figure 7 p. 27) represent the solution proposed for the problem encountered by this research. The construction of these indicators was done in this research using the theoretical background and final objectives of each stage of the employer branding process, namely attraction, selection and retention stages. Following that logic, indicators were divided in three different groups:

1. **Attraction indicators** should reflect the efficiency of the attraction stage of employer branding. The objective to facilitate the selection process, as the appropriate applicants are attracted to the firm as theory suggests.
2. **Selection indicators** should reflect results that help managers ensure selection is done efficiently and by sticking to the firm’s EVP (Dyhre & Parment, 2009), thereby minimizing emotional and discretionary input from the process as much as possible.

3. **Retention indicators** should provide evidence of the quality of employees and the success of the previous two stages, reflecting the benefits to the firm as outlined in the theory of employer branding.

All the indicators developed have the common objective of ensuring the increased efficiency and accuracy of the selection process, which this research considers the critical stage of employer branding success in practice (Dyhre & Parment, 2009). The information resulted from measuring employer branding performance internally will provide a platform for managers to act upon and increase the chances that the right applicants are being attracted by the organization.

### 1.5 Delimitations

The scope of this study was mainly limited because it is an undergraduate bachelor thesis, and time constraints did not allow for a deeper investigation of the research problem especially when it comes to the empirical study.

Definitive indicators to be used as measures of EB performance were not proposed by this research since its main purpose was to develop a context where EB performance measurement could be understood, and the use of KPI’s demonstrated. The empirical study provided enough evidence to validate its purpose as well as the applicability of the KPI’s in actual business environments. The results from this study can be useful for deeper studies into KPI’s respecting the limitations of this research, as is proposed in the conclusion of this thesis.

Finally, the concept of EVP in this study has been limited to the core values an organization holds and looks for in its current and potential employees. That limitation will ensure that the indicators built to measure the consistent transfer of the EVP message in the EB process developed (Figure 5 p.19), are in line with the firms most important values.

### 1.6 Reference System

Referencing system used for this thesis follows the APA (American Psychological Association) system. The list of references will be displayed in alphabetical order including all details of citations and its publishers. The text presents the author’s name, followed by the year of the publication release and when appropriate the page number, if the quotation can be found on a particular page. Referencing may be done in the middle of sentences or at the end.
2. Company Presentation

The company presentation chapter familiarizes the reader with the case company of this study, ABB. The problem found by this research was identified by ABB, and this chapter provides an overview of ABB’s background in order to validate the relevance and importance of the research problem.

ABB is a global leader in power and automation technologies. The company is based in Zurich, Switzerland and employs 145,000 people operating in almost 100 different countries. This multinational has a rich history spanning 120 years with a strong background as an innovator within the technology industry. In Sweden, ABB has nearly 9,000 employees working in more than 30 cities around the country (120 års tekniskt ledarskap, 2013).

ABB has a crucial role as the main global supplier of indispensable components and machinery for a variety of industries such as wind power. Its organizational structure consists of one corporate division and five product divisions; Power Products, Power Systems, Discrete Automation and Motion, Low Voltage Products and Process Automation (About - Our Business, 2013; Vår verksamhet, 2013).

2.1 History

ABB was formed through a merger in 1988, between the Swedish firm ASEA and the Swiss firm BBC (120 års tekniskt ledarskap, 2013).

BBC (Brown, Boveri & Cie) was formed 1891 in Baden, Switzerland, as a Swiss group of electrical engineering companies. Shortly after its formation, BBC was the first company to transmit high-voltage power. The company continued to innovate within the field of electricity production and in the locomotive industry for 95 years, until the merger with ASEA and creation of ABB in 1988. Up until the merger, BBC was a successful and powerful organization with 97,000 employees, over US$8.5 billion in reported revenue and an income after financial items of $132 million (120 års tekniskt ledarskap, 2013).

ASEA ASEA (Allmänna Svenska Elektriska AB) was established through a merger between two Swedish firms Elektriska Aktiebolaget and Wenströms & Granströms Elektriska Kraftbolag. The company pioneered the construction of many electrical systems in Sweden such as the first three-phase system and the world’s first self-cooling transformer rated at 2500 kVA. Besides being a driver for innovation within the electrical power industry, ASEA was the first company to manufacture synthetic diamonds.
and were among the pioneers in the development of industrial robots. In 1986 before the merger with BBC, ASEA employed 71,000 people and reported revenues of $6.8 billion and an income after financial items of $370 million (120 års tekniskt ledarskap, 2013).

ABB’s foundation was built in the legacy of these two successful and innovation driven companies. ABB’s focus on research and development plays a crucial role in its success, and it is possible due to its seven corporate research centers around the world. The result of this focus on R&D has created a long record of innovations. Many technologies that are taken for granted in our modern society such as high-voltage DC power transmission were developed by ABB. The company is the largest provider of generators to the wind industry, largest supplier of industrial motors and drives and the largest supplier of power grids worldwide (120 års tekniskt ledarskap, 2013).

Since the late 19th century, the companies which together formed ABB have always been on the forefront of technological development in the engineering field. This has made ABB a powerful organization and conscious employer, as it remains expanding as one of the most successful engineering firms in the world.

2.2 ABB’s strategy

ABB is a company which focuses on organic growth. However the firm remains aware of acquisition opportunities that may build their capability and global footprint within their core businesses of power and automation. According to ABB, a strong emphasis on R&D must continue in order to maintain its position as one of the world’s premier engineering companies (About - Our Strategy, 2013).

2.2.1 ABB’s mission

- Act responsibly in terms of environmental stewardship, social responsibility and business ethics.
- Attract talent with a diverse global workforce and provide opportunities for advancement.
- Drive innovation with a sustained commitment to R&D.
- Improve performance in productivity, reliability and efficiency.

ABB’s mission statement identifies the values and responsibilities the organization holds in high regard. Commitment to society and environment, focus on innovation in its field and pursuit of quality and productivity are features that differentiate the ABB brand.
More importantly for this research is ABB’s willingness to attract and cherish its workforce. This mission value implies the firm's commitment to Employer Branding as an important aspect of their business strategy. Talented employees are a scarce resource and attracting the right talents is seen as critical for future success; ABB mission statement proofs that the organization is fully engaged in the “War for Talent” (About - Our Business, 2013; About - Our Strategy, 2013). This focus on being an attractive employer has paid off since ABB Sweden is now (2013) ranked as the second most popular employer for engineering students (Linder, 2013).

The research problem encountered by this study was based on ABB’s current situation within Employer Branding. Its position as an industry leader that acknowledges the importance of its workforce as a core value highlights the relevance and importance of the problem.
3. Research Model

The research model provides a graphical representation and brief explanation of the logical process undertaken to develop the theoretical foundation, empirical study and analysis of the results that formed this research.

The sequence of topics presented in the top part of Figure 2 depicts the broader discussion that builds a background for current employer branding application, leading to the identification of this research’s problem. The internal measurement of employer branding performance is relevant to ABB Sweden, as well as a relatively unexplored field in employer branding scientific literature.

After the introduction part, a theoretical background of employer branding is developed in order to build a conceptual framework upon which the key performance indicators proposed by this research are contextualized. That is the theoretical framework chapter, which is followed by the empirical findings resulted from interviews conducted with employer branding professionals. The end of this thesis will present an analysis of the empirical findings and theory developed in this research followed by the authors’ conclusion of the study.

Figure 2: Research Model (own model)
4. Theoretical Framework

The theoretical framework of this research explores the theory behind employer branding describing its main objectives which are essential to develop the conceptual framework used to contextualize the key performance indicators proposed at the end of the chapter.

4.1 Employer Branding

4.1.1 Definition

Employer branding has been utilized by organizations such as ABB implicitly over the years (Ambler & Barrow, 1996; Dell et al. 2001). Therefore a unique definition has been overshadowed by its unaddressed, informal existence. As the academic topic of Employer Branding grew in popularity since the early 1990’s, its definitions have surfaced in the literature based on the perspective of each author (Ambler & Barrow, 1996). Similar perspectives, however, have permitted an overall agreement as to what defines employer branding.

Some definitions were developed from human resources and internal perspectives, highlighting the importance of the internalization of a firm’s values by employees (Jeanquart Miles & Mangold, 2004; Foster et al. 2010). Jeanquart Miles & Mangold (2004), for instance, define employer branding as “the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents” (Jeanquart Miles & Mangold, 2004, p. 68). Meanwhile Backhaus & Tikoo (2004) define employer branding as “the process of building an identifiable and unique employer identity”, which only implies the internal perspective of the firm. The external perspective is better translated by Sullivan (2004) emphasizing that the employer branding process should develop awareness and perception of the brand identity, and include as a target the current employees, potential employees and other stakeholders of the firm.

However, the literature presents a differentiation between employer branding and employer brand, the first being the process and the latter the identity itself. From an employer brand perspective, much of the literature (Dell et al. 2001; Backhaus & Tikoo, 2004; Moroko & Uncles, 2008; Foster et al. 2010) suggests the strong link between corporate brand and employer brand. An often cited definition of employer brand described as the “package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (Ambler & Barrow, 1996, p. 187) was developed by Ambler & Barrow (1996) and later scrutinized in Lievens, Van Hoye, & Anseel’s (2007) research. Ambler & Barrow’s (1996) employer brand definition suggests it has personality and positioning, therefore behaving similarly in the minds of employees as product and corporate brands behave in the minds of consumers. From a more firm oriented perspective (Dell et al. 2001),
the employer brand establishes the identity of the firm as an employer with the objectives to
attract, motivate and retain current and potential employees.

This research is developed defining the employer branding process as a strategic approach
to harness the firm’s identity based on its values, current employees and external interest,
communicating that identity externally in the form of an employer brand that appeals to the
right potential applicant and reflects a sense of personality to all stakeholders.

4.1.2 Employer Value Proposition (EVP)

Building a Value Proposition
The process of employer branding as defined in this research and pictured in its main
conceptual model (Figure 5), carries the employer brand identity through all of its stages. A
brand identity is developed by looking within the firm (Jeanquart Miles & Mangold, 2004;
Foster et al. 2010) so it can be promoted externally. Developing the brand identity also
requires the alignment with strategic mission of the firm and its corporate brand as
described by Moroko & Uncles (2008), Backhaus & Tikoo (2004) and Foster et al. (2010). In
addition, based on Sullivan’s (2004) article Elements of a Successful Employment Brand and
in line with Dyhre & Parment’s (2009) fundamental steps to implement an Employer
Branding process, this research assumes the importance of analyzing external interest to
successfully develop an employer brand that will be promoted over the long run.

Utilizing information gathered from all these perspectives may allow the firm to develop a
value proposition, proposed by Backhaus & Tikoo (2004) as the first step for the
development of an employer branding process. The employer value proposition (EVP) carries
the employer brand identity and its message. EVP development is better demonstrated in
this research by Dyhre & Parment’s (2009) EVP diagram presented below as Figure 3.
A successfully built EVP, or value proposition (Backhaus & Tikoo, 2004), is formed by the combination of the organization’s identity, profile and image. Identity requires the firm to know what they are as an organization (Dyhre & Parment, 2009). That implies looking internally to understand the employee’s perception of the employer (Jeanquart Miles & Mangold, 2004; Foster et al. 2010). Profile relates to what the organization wants to be as an employer now and in the future. Strategic views of top management form the profile, and also link the employer brand to the firm’s corporate and consumer brand (Dyhre & Parment, 2009; Moroko & Uncles, 2008; Backhaus & Tikoo, 2004; Foster et al. 2010). Image is the way the firm is viewed as an employer by potential target groups. It is through the image that the firm presents itself to the public, and accurate communication aimed at the appropriate groups is essential to avoid distortions of the brand image (Sullivan, 2004; Dyhre & Parment, 2009).

**EVP: Identity, Differentiation and the early Psychological Contract**

The EVP must give a reason for employees to work for the company (Dyhre & Parment, 2009). It may be interpreted as promises made by the firm to the current and potential employees (Backhaus & Tikoo, 2004; Jeanquart Miles & Mangold, 2004), eventually becoming as suggested in Dell et al. (2001) research, one of the firm’s competitive advantages. At that level of success, employees and management instill the EVP and the brand within the organization’s culture and daily operations. When successful, the EVP is perceived as true, attractive and differentiated from competition (Dell et al. 2001; Dyhre & Parment, 2009). Similar characteristics are highlighted by Sullivan (2004) as elements of successful employer brands. Sullivan (2004) emphasizes the importance of a brand and EVP that highlight the best management practices that make a firm a great place to work. As a
source of employer brand differentiation in a firm’s own brand portfolio, the EVP complements the benefits brought by its other brands, i.e. product brand. In differentiating the employer brand from other brands the organization might hold, such as product brand, the EVP acts as a pure representation of employer brand identity that has the clear goal of attracting the right employee, not the fan (Dyhre & Parment, 2009).

The attractiveness of the EVP and the fulfillment of its promises reflect the formation and successful continuation of the psychological contract between the firm and its employees (Rousseau, 2001; Foster et al. 2010; Edwards, 2010). According to Rousseau (1990), a psychological contract is “an individual’s beliefs regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party” (Rousseau, 1990, p. 123). This “mental contract” is based on the expectations created by the worker as a result of the company’s external and internal messages (Jeanquart Miles & Mangold, 2004; Backhaus & Tikoo, 2004; Foster et al. 2010). As Jeanquart Miles & Mangold (2004) point out, the psychological contract is also the driver of the brand image that employees may promote, hence the importance of a consistent EVP. Employee’s trust in that the organization will fulfill its promises is essential to avoid some negative outcomes related to the violation of the psychological contract as proposed by Jeanquart Miles & Mangold (2004) and Foster et al. (2010): diminished loyalty, negative word of mouth to other employees and customers, reduced productivity, etc. These outcomes would negatively affect the internal marketing and socialization process of the organization, incurring higher costs and putting at risk the further development of the EVP and brand image (Backhaus & Tikoo, 2004; Jeanquart Miles & Mangold, 2004; Dyhre & Parment, 2009). Therefore messages passed on by the firm must be consistent with the employer value proposition at all stages of the employer branding process and be communicated accordingly (Dyhre & Parment, 2009).

Strategies for delivering brand messages have been widely developed over the years in the field of marketing. Jeanquart Miles & Mangold’s (2004) conceptualization of employer branding process proposes the need for the EVP to be communicated consistently internally and externally. Formal and informal messages are constantly sent across the organization and to its external stakeholders. That is done directly through formal internal marketing activities as well as informally through the decisions of managers or word of mouth. In Jeanquart Miles & Mangold’s (2004) framework, cooperation between all participants and functions of the firm, especially human resources, marketing and higher management is essential to ensure EVP messages are consistent internally and externally. It is emphasized that the success in delivering consistent messages across the organization results in employee satisfaction and fulfillment of the promises proposed by the employer value proposition. In practice however, as is the problem this research attempts to address, it is unknown if the EVP is consistently carried across the organization by employees and with newcomers as the theory of employer branding suggests (Dell et al. 2001; Jeanquart Miles & Mangold, 2004; Dyhre & Parment, 2009).
EVP limitation in this research
In the models and KPI’s developed by this research, the concept of EVP is limited to the core values an organization holds and looks for in its current and potential employees. That limitation will ensure that the indicators built to measure the consistent transfer of the EVP message internally and externally are in line with the firms most important values. As the EVP is formed by a variety of inputs usually customized to its target group (specific department, function or role), the core values are the ones that will tend to remain constant in every firm’s EVP (Dyhre & Parment, 2009). Despite the consistent presence of a firm’s core values in its EVP, the other elements that form the employer value proposition may vary dramatically for each firm. Therefore, given the importance of core values in the EVP formation and this research’s aim to develop a general model of EB process (Figure 5 p. 19) so that internal performance measures can be contextualized, a compromise has been made in this study. The core values will represent the EVP that is carried throughout the employer branding process represented by the conceptual framework model (Figure 5 p. 19 & Figure 7 p. 27). Those core values are in most firms, the basis that form the unique culture, identity and internal marketing programs represented in the employer brand externally (Dyhre & Parment, 2009).

4.1.3 Conceptualization of the Employer Branding Process
Attraction and Retention of the right employees are common objectives discussed by scholars and perceived by firms when implementing employer branding (Dell et al. 2001; Backhaus & Tikoo, 2004; Dyhre & Parment, 2009). This section lays down the theoretical foundation of the employer branding process. The conceptual framework model of the employer branding process is then developed. The key performance indicators to be proposed in this study will then be discussed based on the stages of the model and its theoretical support.

Attracting the Right Applicant
Employer branding improves the chances of attracting the right talent to organizations (Dell et al. 2001; Backhaus & Tikoo, 2004; Dyhre & Parment, 2009) as it appeals to potential employees that identify with the brand. This identification occurs due to the efforts of the firm promoting its employer brand through an attractive EVP (Backhaus & Tikoo, 2004; Dyhre & Parment, 2009). The EVP creates brand associations which are the thoughts and ideas that a brand name evokes in the minds of employees, resulting in the formation of a brand image (Aaker, 1991; Backhaus & Tikoo, 2004; Dyhre & Parment, 2009). As Backhaus & Tikoo (2004) describe, associations may be verbalized or at a sensory level, which means they can occur as feelings, words or objects are associated to the brand in the minds of consumers.

A brand image is defined by Keller (1993) as the perceptions about a brand as reflected by the brand associations held in the consumer memory. The desired employer brand image
and the associations that create it, also develop over time in the employee’s memory (Backhaus & Tikoo, 2004). That is what permits the employer brand image to be passed along internally and externally through the organization (Jeanquart Miles & Mangold, 2004). The employer brand image is a combination of functional benefits: objective terms such as salary and allowances, and symbolic benefits: subjective terms such as social approval and prestige of the firm (Backhaus & Tikoo, 2004). Distinguishing the nature of the elements that forms an employer’s brand image is further emphasized by Lievens (2007) in his research that showed ways that the brand image influence applicant attraction to the organization. Findings point to the relatively higher importance for symbolic benefits over functional benefits depending on the target group of the employer brand and the brand associations in their minds (Lievens, 2007). “The ability to use a brand to convey symbolic benefits to prospective employees makes employer branding especially useful” (Backhaus & Tikoo, 2004, p.506). Despite the importance of functional benefits promoted by an employer brand and its EVP, it has been argued that employees are more often taking for granted benefits like salary and allowances, as the priorities of the new workforce change (Dyhre & Parment, 2009; Edwards, 2010). Furthermore, as the functional benefits promoted by brands become more similar due to increased competition, symbolic benefits tend to stand out between brands in the employee perspective (Backhaus & Tikoo, 2004; Edwards, 2010).

Attraction caused by symbolic benefits associated to the brand, especially at a sensory level, is further supported by Social Identity Theory (Backhaus & Tikoo, 2004). According to the theory, individuals define themselves as people in terms of the groups they are, or wish to be part of. That identification, a perception of oneness with or belongness to a group, occurs even if the experiences with that group’s success or failure are indirect. An individual’s identification to a group require no interaction, cohesion or leadership experience and occurs even when conflict is present and group affiliation is personally painful. The fact that group identification is highly associated to symbolic benefits such as group’s distinction and prestige (Ashfort & Mael, 1989; Edwards, 2010), could explain the willingness of individuals to be part of such suboptimal situations. Group identification is also associated to the groups positioning relative to a competitor, as people stick to the side they identify most (Ashfort & Mael, 1989). Backhaus & Tikoo (2004) claim that as positive employer brand associations and image are developed, potential employees tend to “seek membership with the organization for the sense of heightened self-image that membership promotes” (Backhaus & Tikoo, 2004, p. 506). As one objective of a successful employer brand is to attract the right talent, developing brand associations reflected through an EVP that individuals identify and are willing to seek membership with is likely to fulfill that goal (Backhaus & Tikoo, 2004; Dyhre & Parment, 2009).

**Employee Retention: Loyalty and Productivity**

Social identity theory also provides insight into the nature of loyalty individuals develop for brands.
“Identification induces the individual to engage in, and derive satisfaction from, activities congruent with the identity, to view him-or herself as an exemplar of the group, and to reinforce factors conventionally associated with group formation (e.g., cohesion, interaction).” (Ashfort & Mael, 1989, p. 35)

Employer branding has another common objective agreed among practitioners and scholars: Employee retention (Dell et al. 2001; Backhaus & Tikoo, 2004; Dyhre & Parment, 2009). Strong brand images that are understood, perceived as fair and accepted by employees result in higher levels of employee satisfaction and performance, as well as lower turnover, organizational identification, among other things (Jeanquart Miles & Mangold, 2004; Edwards, 2010). An employer brand that is associated with its organization’s cultural values facilitates employee decisions to join the group based on value congruence (Backhaus & Tikoo, 2004). Given an individual’s desire for an identity, the organization’s culture and its socialization processes become defined in the individual’s mind in terms of distinctive and enduring central characteristics (Ashfort & Mael, 1989). Such characteristics enable the newcomer to develop commitment and loyalty to the organization, which in turn facilitates the internalization of firm’s values and beliefs while also facilitating the socialization and internal marketing processes (Ashfort & Mael, 1989; Jeanquart Miles & Mangold, 2004; Edwards, 2010).

This willingness to be part of the group suggests participation and accountability from the employee in the processes of the firm, and consequently an increased probability of employee retention (Dell et al. 2001; Dyhre & Parment, 2009). Higher participation and accountability result in the internalization of values and beliefs, hence internalization of the brand’s image (Jeanquart Miles & Mangold, 2004) and an increased commitment to the employer. Such commitment can be interpreted as employer brand loyalty. Employer brand loyalty or commitment is divided in Backhaus & Tikoo’s (2004) conceptual framework of employer branding process as possessing a behavioral dimension: related to organizational culture, and an attitudinal dimension: related to organizational identity (Backhaus & Tikoo, 2004).

Organizational culture, the behavioral dimension of EB loyalty, represents values and norms practiced by members in an organization and passed on to newcomers. It develops and morphs itself as new members are added (Hofstede, Hofstede, & Minkov, 2010) but it remains consistent to the values of the firm as long as members are committed to the internal processes that reinforce the firm’s culture. Internal marketing programs among other things, strive to maintain a consistent culture within the organization that can be transmitted internally and externally by employees. Adhering to such programs and the firm’s culture, is in itself proof of employer brand loyalty or commitment, and is considered the behavioral element of employer brand loyalty (Backhaus & Tikoo, 2004). Organizational Identity, the attitudinal dimension of employer brand loyalty, is a similar representation of the brand as is brand image and the associations represented and created by the EVP. It
allows individuals to identify with the organization and is developed by internal stakeholders based on the interactions of the firm with its internal and external constituents (Backhaus & Tikoo, 2004; Dyhre & Parment, 2009). As Jeanquat Miles & Mangold (2004) and Dyhre & Parment (2009) observed from different perspectives, an increased sense of identity from employees results in higher employer brand loyalty and commitment (Backhaus & Tikoo, 2004).

Backhaus & Tikoo (2004) suggests that employee identification with organizational identity and adherence to organizational culture will result in employer brand loyalty, which in turn reflects higher employee productivity. That is in line Heskett’s (1987) Service Profit Chain Theory that makes the connection between internal employee satisfaction as a driver of customer satisfaction and employee productivity. Employees that understand the firm’s corporate goals, its culture, values and identity as a brand are likely to be more committed to deliver the brand promise and be appreciative of their roles in the organization (Heskett, 1987; Backhaus & Tikoo, 2004; Jeanquat Miles & Mangold, 2004; Foster et al. 2010).

Figure 4, developed by Backhaus & Tikoo (2004) as its Employer Branding Framework, provides a visual interpretation of the two main objectives of employer branding; Attraction and Retention/Productivity, being achieved with the support of the theory just described.

![Figure 4: Employer Branding Framework (Backhaus & Tikoo, 2004)](image)

**Conceptual Framework of this Research**
The EVP combines the brand elements that make an employer brand true and attractive, to the right talents inside and outside the organization. It also promotes the elements that foster employer brand loyalty and consequently productivity (Backhaus & Tikoo, 2004; Dyhre & Parment, 2009). The consistency of the employer brand message or its value proposition should also resonate externally in order to maintain the uniqueness and differentiation of the brand among competitors (Dyhre & Parment, 2009). Moreover, as Foster et al. (2010) suggests in its model of the relationship between corporate, internal and employer branding, the employer brand value proposition is also represented externally to customers.
who could be attracted enough by it to become future loyal employees. Therefore, the importance of the EVP as a representation of the employer brand suggests its presence at different stages of the employer branding process. As previously discussed, the EVP in this research is limited to the core values of an organization. However, even bound by this limitation, its presence across all stages of the EB process that are depicted in Figure 5 (and Figure 7 p. 27) does not change since the core values are a permanent and essential element of any EVP.

A conceptual framework emphasizing the path taken by the firm’s EVP in the employer branding process is now proposed by this research in order to identify the area where the problem question to be explored by this study occurs:

![Conceptual Framework: The Path of the EVP in the Employer Branding Process](image)

Figure 5 represents a fully developed EB process model that was built based on the theoretical foundation so far discussed as well as on discussions with employer branding professionals. The path the EVP, a representation of the employer brand, is expected to make outside and inside the organization is depicted in the model. This figure is divided in three different stages, 1) attraction, d) the crucial selection process, 2) retention.

Stage 1: Attraction Stage

The Attraction Stage, or stage 1, incorporates the theoretical framework developed by this research to support the first objective of employer branding: Attracting the right applicant. It identifies the path taken by the firm’s EVP from its inception, through to external marketing (a), raising brand awareness and developing brand associations (b) and attracting applicants to the firm’s selection process for open positions (c).

The attraction stage should result in attracting the right applicants, not a high number of applicants (Dyhre & Parment, 2009). Besides other objectives such as raising awareness and strengthening the employer brand externally (Dyhre & Parment, 2009), the attraction stage’s
major goal in this research’s problem is to facilitate the selection process and increase the chances that employee retention will occur. Those objectives are focused upon when developing the key performance indicators to be proposed as internal measures of employer branding performance. These are important objectives since attracting applicants who identify with the values of the organization and are willing to commit to the organization’s culture will promote the continuation of the cycle identified as this research’s problem (Figure 1 p. 4) (Backhaus & Tikoo, 2004; Dyhre & Parment, 2009).

Selection Process
This is a crucial step of the employer branding process, where things can go wrong and put the entire employer branding process at risk (Dyhre & Parment, 2009). As positions open, the firm begins its recruitment process based on job requirements as well as the company’s EVP (Jeanquart Miles & Mangold, 2004; Dyhre & Parment, 2009). Job ads and the selection process itself are supported by the employer value proposition, with possible requirements for jobs functions of specific areas of the firm being the characteristics that sets each job ad and selection apart (Dyhre & Parment, 2009). As the selection process of potential candidates starts, several face to face contacts occur between applicants and the firm’s recruitment agents. Selecting the right applicant is according to Dyhre & Parment (2009) a combination of formal procedures e.g. personality tests, and gut feeling; the ultimate informal procedure. As applicants advance to the later stages of the selection process, candidate evaluations are likely to become more informal as the results of formal procedures become more intangible and subjective i.e. emotional stability, physical expression, social sensitivity (Dyhre & Parment, 2009).

This subjective part of the selection process, which is very dependent on the discretionary inputs of recruitment agents, was overlooked in Dyhre & Parment’s (2009) description of application and acceptance stages of the recruitment funnel (Dyhre & Parment, 2009, p. 82-83). It assumes the right applicant is employed, but it also clearly points out that if the wrong individual is hired by the organization, the employer branding effort is very likely to fail. Also highly probable is the chance that the firm will not be able to get the employer brand information and identity to resonate with the wrongly selected individual (Dyhre & Parment, 2009). Likely consequences for organizations that internalize wrong employees’ expectations can be: unclear psychological contract (Rousseau, 2001; Jeanquart Miles & Mangold, 2004; Foster et al. 2010), dissatisfaction and low productivity (Backhaus & Tikoo, 2004), high socialization and internal marketing costs (Dyhre & Parment, 2009; Foster et al. 2010), high intentions to quit (Backhaus & Tikoo, 2004). From an external branding perspective, internalizing wrong expectations may result in risk to the relevance of EVP and brand identity (Jeanquart Miles & Mangold, 2004; Dyhre & Parment, 2009; Foster et al. 2010), attraction of wrong applicants (Backhaus & Tikoo, 2004; Dyhre & Parment, 2009), high cost of employer branding (Dyhre & Parment, 2009) and, more relevant for this research, development of uncertainties during future selection process (Dyhre & Parment, 2009).
internalization of expectations that do not match the firms EVP is represented in Figure 5 (p. 19) by the questions marks scattered around stage 2 of the diagram.

According to Dyhre & Parment (2009), it is essential that the messages passed along to recruitment agents and possible applicants during this critical stage of the employer branding process are consistent to the firms EVP. Moreover, Uggerslev, Fassina, & Kraichy’s (2012) research emphasizes the importance of messages being used in accordance to the stage of the selection process in which the applicant is, since applicant attraction varies during the process. Recruitment agents or recruiters, responsible for selecting the right applicant, should be capable of differentiating the levels of candidate interest or attractiveness to the position throughout the process. As the selection process is where the decision is made as to which applicant enters the organization, the EVP must serve as a guideline throughout the process ensuring consistency of internal and external messages sent by the brand (Dyhre & Parment, 2009; Uggerslev, Fassina, & Kraichy, 2012). The EVP also serves as a guideline for selecting applicants that normally have a variety of expectations regarding the firm. At this stage the value matching of the firm and the new hire occurs, and consequently the formation of the psychological contract (Rousseau, 2001; Backhaus & Tikoo, 2004; Dyhre & Parment, 2009; Edwards, 2010).

Therefore, despite all the uncertainties involving this stage, selecting the right people is in practice what allows the organization to build a sustainable employer brand (Dyhre & Parment, 2009). If that is accomplished, the path of a consistent EVP message across all stages of the employer branding process model developed in this research is more likely to be achieved.

Stage 2: Retention Stage
Stage number 2 described in Figure 5 represents a simplification of the path the EVP takes in the organization as new employees are hired. As opposed to what the theory suggests, the organization cannot be sure if the new hire is the right person that will carry the EVP message in the organization. Nevertheless, the retention stage is based on the theoretical foundation that explains the nature of employee loyalty and productivity as the result of an individual’s close identification with a firm’s identity and adherence to its culture (Backhaus & Tikoo, 2004).

The main objective of the retention stage in this model is to maintain a quality employee flow, or in other words retain a good mix of people that carry the values promoted by the by the organization through its employer brand (Dyhre & Parment, 2009). That implies the need for the preceding stages of this model, attraction stage and selection process, to operate effectively so that the inflow of employees possess expectations that match the firms EVP.

In the retention stage in Figure 5, the path taken by the EVP begins as new hires are welcomed into the organization (e) much like the acceptance stage of the recruitment funnel described by (Dyhre & Parment, 2009, p. 83). New employees then participate in the
organization’s socialization and internal marketing processes as they get acquainted to the values and beliefs of the firm (Backhaus & Tikoo, 2004). The next step followed by the EVP in the model represents its purpose as an input for further development of the employer value proposition in the future (Backhaus & Tikoo, 2004). As the organization looks internally to further develop the brand identity to be promoted externally, the presence of consistent messages emphasizing employer brand values is essential (Dyhre & Parment, 2009; Jeanquart Miles & Mangold, 2004). This internal consultation will be the base for developing the future EVP and to the continuation of the employer branding process, addressing the research problem depicted in Figure 1 (p. 4) (h).

Internal inconsistencies caused by for example, the internalization of wrong expectations as represented by the question marks in the model, are likely to affect the brand identity externally (Dyhre & Parment, 2009) as well as future selection processes. In practice that could occur by selecting new employees that do not possess realistic expectations regarding the employer. The consequence is represented in stage 2 of the Figure 5 (p. 19) conceptual model, and may result in a cycle where wrong expectations continue to be internalized in the long term. Socialization and internal marketing processes would become inefficient and costly as new hires are less likely to internalize the brand’s values, and the employer branding process as a whole is likely to fail (Dyhre & Parment, 2009).

4.2 Key Performance Indicators (KPI)

The conceptual framework model of this research, Figure 5, was developed so that the internal measures of employer branding performance, the key performance indicators proposed in this research, were placed in the context of the employer branding process. The following section provides a brief overview of the most significant characteristics that must be present in a useful and successful measure of performance. Also described is the purpose behind developing performance measurements and the steps in its construction. To conclude this section and before proposing any indicators of EB performance, a graphical representation of the KPI’s to be proposed is presented in the context of the conceptual framework model developed (Figure 7).

In this research the author’s will only distinguish between the different types of performance indicators when necessary since most other research and firms simply label all indicators as KPI. That will be done since the focus is on the theory supporting each indicator proposed. However it is essential that the information provided in section 4.2 is used when attempting to implement in practice the indicators proposed in this research.

4.2.1 Definition

Key Performance Indicators (KPIs) are quantitative and qualitative measures used to monitor an organization’s business performance. Performance measurement is essential for good
management in any type of organization. Measuring performance over time is essential because it will give the organization information on how they are performing today, and allow comparison with past measurements, development of benchmarks and goal setting (Parmenter, 2010).

### 4.2.2 Different Measurements

Performance measurement can be divided into four types of measurement:

- Results Indicators (RI)
- Key Result Indicators (KRI)
- Performance Indicators (PI)
- Key Performance Indicators (KPI)

#### Results Indicators (RI)

RI’s and Performance Indicators (PI) inform the firm what it has done and should do. PI’s can be for example percentage increase in sales for the top 5 - 10% customers, key customer complaints, sales calls organized for the coming week and late deliveries to key customers. RI’s are related to financial performance in the short term (daily and weekly), such as sales made yesterday and net profit on the most important product lines (Parmenter, 2010).

#### Key Result Indicators (KRI)

KRI’s give information about what the firm has done in a critical success factor such as customer satisfaction, employee satisfaction, profitability of customers, net profit before tax and return on capital employed. These measurements provide an indication if the firm is heading in the right direction. However, it does not provide information about how to improve performance. These numbers are reviewed monthly and quarterly by top management, who has no involvement in the daily operations of the firm (Parmenter, 2010).

#### Key Performance Indicators (KPI)

KPI’s provide information in order to increase performance dramatically. Generally a KPI has a set of common characteristics; they are nonfinancial measures and if a dollar sign is set on the measure it will become a KRI instead. A KPI would be something less obvious than a financial figure, such as the amount of visits from key customers that bring the most profitable business to a store (Parmenter, 2010).

KPI’s should be monitored often, every day to every week. If it is monitored less often it should not be a KPI since it is not of key importance to the organization. All KPIs should be relevant to the success of the process being measured, so that it attracts top management attention. A good KPI tells you what to do in order to improve performance. For example, a KPI that measures how late planes are will enable the staff such as cleaners, ground crew, flight attendants and caterers to think about time saving measures in their work which will reduce the amount of time a plane is standing still. A KPI should be traceable to a possible
source, such as a team of workers, to enable management to identify the source of the problem and solve it (Parmenter, 2010).

4.2.3 S.M.A.R.T.

S.M.A.R.T stands for specific, measurable, achievable, relevant and time phased. These five conditions need to be fulfilled in order to create a good KPI. The S.M.A.R.T system is generally used for setting smart goals in many different areas such as personal development and coaching. However, that does not discredit it as a tool for setting a good KPI, on the contrary it strengthens it. Because a good KPI gives an organization standards and norms to be achieved and followed, the S.M.A.R.T system enables it to set clear organizational goals to be reached (Personlig Utveckling Centrum Smarta Mål, 2013; The KPI S-M-A-R-T Rule, 2013).

- **Specific** – The KPI should only be able to be interpreted in one way by different users allowing them to come to the same conclusions which can be acted upon.
- **Measurable** – If you cannot measure it, it will be of no use.
- **Achievable** – If a KPI is set making the standard or norm unachievable it will only discourage employees.
- **Relevant** – KPI should measure what is important for the organizations strategy.
- **Time Phased** – The value of the KPI has to be expressed in time, without the time value a KPI has no meaning. (The KPI S-M-A-R-T Rule, 2013)

4.2.4 Why KPI’s: The Deming-wheel

Organizations require constant improvements in quality and performance to increase customer satisfaction. Performance measurements are a means to this end; it enables the firm to be conscious about their continuous improvement by analyzing the actual result with a pre-set target in mind. There is nothing revolutionary about this, organizations have always observed the outcomes of their efforts, and financial reports are filled with data showing organizational performance. However, performance indicators add new, nonfinancial aspects to the financial data which can be beneficial for process optimization in many ways (Fortuin, 1988).

The Deming-wheel, Figure 6, offers a guide for the application of performance measurement and it shows the process descriptively. Four steps of action (plan, do, check and act) are followed once a problem or unsatisfactory activity has been observed. This will lead the
organization to an increase in performance once the steps have been executed with success (Fortuin, 1988).

- **Plan** – Construct a plan for how the firm should improve business functions, processes or activities that need to be improved.
- **Do** – Carry out the plans which were created in the planning stage, for example through projects.
- **Check** – Analyze the results for the planned projects and compare it to the desired and expected performance.
- **Act** – Make appropriate use of the relevant measures, identify the causes for possible discrepancies between actual result and expected result and consider future use of the indicator (Fortuin, 1988).

A successful application of the Deming-wheel’s four stages will provide organizations with a clear idea on how to work with performance measurement. Furthermore, it offers a good explanation as to why an organization should measure performance (Fortuin, 1988).

### 4.2.5 Implementing KPIs in practice

The four cornerstones of KPI implementation are:

- Partnering with staff, key suppliers, unions and key customers;
- Authority needs to be given to the staff;
- Only measuring and reporting the things that matter;
- Linking performance measures to strategy through the critical success factors;

In order to best measure performance, measuring the right variable is essential. That can be achieved by building partnerships; it helps understand what really needs to be measured. Sitting down with key customers/suppliers to identify the measures will improve delivery, quality and other success factors in the relationship is essential (Parmenter, 2010). However, according to Fortuin (1988), in order to get an improved participation from suppliers the KPIs have to be clearly defined, simple and easy to understand. KPIs should be derived from variables that can be controlled or influenced by the users and there should be a clear agreement that the given KPIs will increase customer satisfaction.

Another important step for implementing KPIs is to give authority to staff. That will enable them to take swift action and remedy any situation identified by the KPI measure. Hence the importance of measuring and reporting variables that are relevant when building a KPI. KPI measures that cannot be used as a reason for change in the organization will be ineffective. In addition, performance measurement should be regarded as positive by employees, and seen as a way to increase the long term job satisfaction. Finally, for a performance measure to be considered a KPI, it should be linked to one or more of the organizations critical success factors (CSF’s). CSF’s are the organization’s performance that determines ongoing
health, vitality and wellbeing. An organization will be much more successful with their CSF’s if their organizational vision, values and mission have been stated (Parmenter, 2010).

Wrongly implemented KPI can harm much more than they might help. A KPI that measures how late a bus driver is on each station could easily be constructed. However, if this KPI would encourage employees to take an action that is harmful for the organization it would do more harm than good. An example of this could be if the bus driver received penalties for being behind schedule. The driver might decide not to stop to pick up passengers at the bus stops in order to get back on time, which would result in customer dissatisfaction and lost revenue (Parmenter, 2010).

4.2.6 Using KPI’s in this research

The indicators proposed in this research should follow most of the characteristics discussed above. Among other things, they should provide information that can be used to assess current performance and increase future performance. As the Deming-Wheel proposes, a set of actions are expected to take place once indicators are placed to measure and improve EB performance. The ability of managers working with these indicators to take action on the results provided by the KPIs will vary among companies. Furthermore, it is expected that the implementation of the indicators to be proposed in the next section will also vary among organizations due to different factors; commitment with employer branding, current resources available, higher management approval, etc.

Given the purpose of this research and its focus on providing a more comprehensive view of performance in different stages of the EB process, the indicators that follow are divided in the different stages present in the conceptual framework model developed in Figure 5 (p. 19). That is done in order to place the indicators proposed in a certain context where its main objective is clear. Figure 7 provides a graphical representation of the application of KPI’s which would result in the higher probability that the desired EVP will be consistent in all stages of the EB process:
The appropriate utilization of KPI’s such as the ones to be proposed in this research should provide measures of internal performance from different perspectives (different KPI’s) in each stage of the employer branding process. Therefore, as depicted in Figure 7, the overall performance of each stage based on different KPI results should serve as an indication of the probability that the right/wrong applicants are being attracted, selected and retained in the organization. As a result, the consistent path of a firm’s EVP throughout the process of employer branding is more likely to be achieved as the internalization of wrong expectations/applicants may be reduced. That is represented in Figure 7 by the absence of question marks present in the retention stage (2) of the EB process.

### 4.3 Attraction Indicators

In the attraction stage, performance measurements so far have mostly represented the associations the employer brand has in the minds of the general public (ABB). A solution to improve or refine these measures when it comes to fulfilling employer branding’s objectives, is to develop indicators that track the quality of the process specifically in that stage. The attraction indicators proposed in this section are built in a theoretical foundation that is in line with the first stage of the conceptual framework proposed, but its objective is to facilitate the selection process which is critical to the internalization of expectations that match the firm’s EVP (Dyhre & Parment, 2009).
4.3.1 Appropriation of brand values Indicator

This attraction indicator may be used to ensure employees are attracted to the firm specifically due to its employer brand, resulting in realistic expectations of employment, facilitated selection process and higher likelihood of retention (Dyhre & Parment, 2009).

“... an understanding of a company’s corporate and product brands may be used as a proxy for an understanding of the employer brand” (Moroko & Uncles, 2008, p. 167).

Potential employees often suffer from a deficit of information when it comes to understanding the employer even though this information is increasingly made available. Consumers can experiment product and service brands at a relatively low cost, while experimenting an employer brand would take much more effort and risk for all involved (Moroko & Uncles, 2008).

The product and corporate brand are mainly directed to the external public while the employer brand should be differentiated as employment specific, posed to attract the right employee and not the fan (Backhaus & Tikoo, 2004; Dyhre & Parment, 2009). However, as Moroko & Uncles (2008) point out, the employer brand is strengthened when the product brand promise and the corporate vision are aligned with the personal benefits offered to employees (Moroko & Uncles, 2008). An example is the case of American delivery firm UPS in its campaign named “BROWN”. Flexibility and professionalism of their delivery service is promoted as a service promise and also as opportunities they offer as employers (Backhaus & Tikoo, 2004). That can be a way to connect consumer brand, corporate brand and employer brand.

On the other hand, as Moroko & Uncles (2008) highlight, aspects of the consumer or corporate brands may not be highlighted by the employer brand or the employment environment of the firm. Consumers that are drawn to work on the firm because of affinity with its product brand tend to be disappointed when none of the associations developed with the product brand exist in the work environment of the firm (Moroko & Uncles, 2008; Dyhre & Parment, 2009). The results can damage the employer branding effort and productivity in general. Furthermore, unattractive product brands or ethically questionable industries such as tobacco, negatively associated by consumers, overshadow the employer brand even when the EVP promotes positive associations (Moroko & Uncles, 2008).

As a measure of attractiveness these indicators reflect the firm’s ability to attract the employee candidate for what it offers as an employer. Internal surveys for new hires may indicate the origin of the applicant interest in the organization and imply the possibility that recruits entering the organization are aware of the brand as an employer, with all that comes with it. This measure of attraction reflects the accuracy of this stage and its success may improve the selection process’ and retention performance.
4.3.2 High Talent Demand Indicator

This attraction indicator aims at assessing the commitment of the applicants attracted by the firm’s employer branding efforts.

“Getting a lower number of applicants while increasing the average quality substantially promotes recruitment efficiency” (Dyhre & Parment, 2009, p. 100).

Dyhre & Parment (2009) discusses the importance of high demands from all stakeholders in an organization. Demanding customers provide priceless feedback. Demanding directors, local opinion, media and authority all provide a platform for a firm to be more competitive and generally better. Demanding employees may develop a work environment that is pleasant, fair and where people would happily work at.

On the same note a demanding firm may create qualification, quality or commitment requirements from its employees which some other firms may not, and which some employees who are not so committed to the employer may not accept. Furthermore, once this demanding approach towards delivering quality is communicated externally formally or informally, it becomes part of the associations represented by the EVP (Jeanquart Miles & Mangold, 2004; Dyhre & Parment, 2009). From then on, associations will be developed in the minds of current and potential employees, and only a certain group of individuals will identify with the firm. High talent demand in the firm may be associated by current and potential employees as prestigious and distinct, as Ashfort & Mael (1989) pointed to be factors of group identification. On the other hand, potential employees who are not serious about the career in the firm may have negative associations to the high talent demands and will not seek membership with the organization since he/she believes the demands are too high (Backhaus & Tikoo, 2004; Ashfort & Mael, 1989).

Identifying those different associations among current employees, especially new hires, may indicate the position of the firm and its demands as perceived by them. If perceived as highly demanding and given the results of other indicators, employer branding may be succeeding in attracting only the right applicants, which facilitates selection and retention.

As a measure of attraction, the High Talent Demand Indicator reflects the firm’s ability to attract the appropriate applicant as brand associations related to quality and performance demand are perceived as positive. That would result in facilitated recruitment and improved likelihood of retention (Dyhre & Parment, 2009).

4.3.3 Know Where You Go Indicator

“Adequate information reduces reliance on prior notions about the firm or about employment in general.” (Rousseau, 2001)
When employer brand messages contain sufficient and accurate information, it helps improve the associations potential candidates have with the organization (Backhaus & Tikoo, 2004). It permits differentiation not only from competitor’s employer brand but from the firm’s own product and corporate brand. That is in itself an important goal of employer branding (Moroko & Uncles, 2008; Dyhre & Parment, 2009; Foster et al. 2010). Accurate information clarifies the firm’s promises that are part of the psychological contract of current and future employees, so the likelihood that recruits will perceive a violation of the contract is lower (Backhaus & Tikoo, 2004).

This attraction indicator measures the extent to which employees understand the firm’s position as an employer based on the information at their disposal. Its results should indicate whether current and new employees made a decision to join the organization based on the targeted information provided by the firm. On that case they should understand their role in the organization and have realistic expectations regarding the psychological contract (Dyhre & Parment, 2009).

As a measure of attractiveness, this indicator shows the firm’s ability to communicate its EVP to the right target group and internalize the desired employee expectations that match that EVP, which facilitates selection and retention.

### 4.4 Selection Process Indicators

Considering positive results for the attraction indicators, it can be assumed that the most appropriate applicant was attracted by the organization. The selection process should now identify the most suitable one for the job and the firm. Selection process indicators are therefore proposed in order to ensure that, as Dyhre & Parment (2009) emphasize, the process occurs respecting and considering the employer brand image and the EVP. That way there are higher chances that new hires identify with the core values of the organization and engage in its socialization and internal marketing processes. Furthermore the indicators should reflect the efficiency of the selection process and the ability of the recruitment agent to secure the best talent into the organization, as applicant attraction to the organization varies as the selection process progresses (Uggerslev, Fassina, & Kraichy, 2012).

#### 4.4.1 EVP Deviation

This selection process indicator has the goal to identify the degree to which recruitment agents are forced to deviate from the firm’s core values (EVP in this research) when selecting applicants for a position.

The recruitment process does not start at selection. It is a long process where the department of the firm looking to hire a new employee sets the requirements, and the recruitment agent is given the job to select the applicant. The position is advertised
supporting the firm’s employer brand image and its EVPs in the appropriate communication channels. Recruitment agents are expected to perform based on the interests of the department in question and the firm’s core values, both inputs which may not be always in line (Wilden, Gudergan, & Lings, 2010). Moreover, recruitment agents have to filter out the uncertainties that may obscure their judgment, emotional or physical. For instance, the conceptual model of this research suggests the possibility that the firm may be internalizing unwanted expectations or values which may be increasingly contradicting the organization’s internal messages. If that occurs, Jeanquart Miles & Mangold (2004) suggest that employees such as the recruitment agent may be reluctant or unable to promote the core values the firm desires since it does not ring true internally.

Under such pressures originating from many sources with different interests, it is likely that recruitment agents may deviate from the firm’s core values or EVP when selecting candidates. The EVP deviation indicator is proposed in order to identify whether or not that is occurring. Deviation from core values during this critical stage may result in failure of the EB process and the continuation of a cycle of internalization of unwanted expectations. If this occurs in multinationals applying employer branding in different subsidiaries, brand identity may be lost (Dyhre & Parment, 2009).

As a measure of selection process performance, this indicator reflects the extent to which the EVP is being respected, which is critical in ensuring the perpetuation of the firm’s brand identity once the new hires are in the organization.

4.4.2 Late Dropouts

This selection process indicator reflects the process’ and recruitment agent’s capacity to secure the right applicant for the organization.

As in any sales transaction, different stages of the deal require different levels of commitment and effort from the parties involved. A car sales person would not want to spend a week convincing a customer to purchase a vehicle and then not execute the sale. That is time consuming and costly. Dyhre & Parment’s (2009) discussion of the recruitment funnel presents a picture of the stages of the recruitment process as perceived by the applicants, and their level of involvement with the brand to the point where the application for a position is made. Uggerslev, Fassina, & Kraichy (2012) address the discussion by proposing that “applicants may value different types of information about an opportunity and be persuaded through different mechanisms depending on the stage often recruitment process” (Uggerslev, Fassina, & Kraichy, 2012, p. 642).

From a recruitment agent perspective, as it was previously discussed, the pressures and requirements of that crucial position can be overwhelming. In addition to selecting the right applicants to progress through the selection process, the agent must ensure they would not dropout of the recruitment process because of other job opportunities or loss of attraction
to the firm. According to Uggerslev, Fassina, & Kraichy (2012), firms should ensure the agent’s behavior enhances the firm’s attractiveness at an early stage of the selection process. Furthermore, recruitment agents must be trained to promote favorable organizational characteristics at a later stage of the recruitment process. Uggerslev, Fassina, & Kraichy (2012) found that applicant’s attraction to the firm tends to diminish at later stages of the selection process, which is where the right applicant may dropout. That is also the stage where the costs of recruitment are at its highest, therefore losing a good applicant may be time consuming and costly.

As a measure of selection process performance, the late dropout indicator should reflect the firm’s ability to ensure the right applicants are not dropping out of the process at its most costly stages. Its results are independent from attraction indicators performance, since at this stage the right applicant has already been recognized. Its results are relevant as an indication of selection process efficiency and also imply improved retention given the right applicant’s identification with the employer brand.

### 4.5 Retention Indicators

The retention indicators should reflect employee commitment to the organization and employer brand as well as quality of the employees in the firm from a brand identification perspective. The attraction and selection stage are determinants of retention success. If the right applicant is attracted to the firm and selected by the recruitment agent, it is likely that the individual identifies with the employer brand and will remain in the company (Dyhre & Parment, 2009).

#### 4.5.1 Post-Employment Dissonance

This retention indicator should reflect whether applicants had or still have doubts or insecurities about their choice of being employed by the organization.

Dissonance has been divided in cognitive and emotional aspects. Generally, in product marketing dissonance refers to psychological discomfort or anxiety following a temporary situation such as a purchase (Nadeem, 2007).

“*A person’s decision difficulty reflects the positive attributes of rejected alternatives compared to the negative attributes of the chosen alternative, giving rise to a logical inconsistency between cognitive elements.*” (Nadeem, 2007, p. 184)

Dissonance may occur before the actual purchase as the consumer becomes uncertain about the purchase, or after (post purchase), affecting possible repeat purchases. Confusion before and during the purchase is a common indication of possible dissonance as well as uncertainty after the purchase. Therefore practices have been developed in the marketing field in order to reassure consumers of their purchases and ensure future consumption.
The product brand is normally used as a way to assure consumers that they have made the right product or service choice, reducing post-purchase dissonance. As some scholars suggest, post-purchase dissonance may be translated into post-employment dissonance in an employment setting, and the employer brand may be a way to decrease its occurrence. As with the product brand, employer brand associations and its image may assure the employee that the decision to join the organization was the right one (Berthon et al. 2005).

As a measure of retention performance, the post-employment dissonance indicator should reflect an employee’s intentions to remain in the organization as this type of dissonance tends to negatively correlate to satisfaction (Nadeem, 2007). That may be done by surveying recently hired employees in an attempt to identify any signs of contradiction between the person’s current employment choice and their real interest.

### 4.5.2 Psychological Self Contract

This retention indicator should reflect new hire’s perception of the conditions or promises he/she received when entering the organization after some months on the position.

“Employee expectation of what the organization is obliged to provide for employees and the degree to which it actually satisfies these expectations will form the central basis of an organization’s employment experience.” (Edwards, 2010, p. 15)

Studies (Boswell, Shipp, & Payne, 2009) attempting to track the path of new hire satisfaction over its first months in an organization have discovered new hires go through periods of high satisfaction (honeymoon) which are normally followed by a decline (hangover). Despite this being an inevitable pattern, the intensity of these employee satisfaction variations are dependent on certain conditions and may be managed by appropriately educating newcomers with realistic and honest job previews. A flat satisfaction pattern, instead of the expected honeymoon pattern of satisfaction at early employment stages, may suggest unfulfilled expectations the employee perceived as promises made by the firm (Boswell et al. 2009). The mismatch between expectations and fulfillment of promises may also result, as proposed by a variety of authors (Jeanquart Miles & Mangold, 2004; Backhaus & Tikoo, 2004; Foster et al. 2010), in many unwanted consequences: diminished loyalty, intentions to quit, negative word of mouth to other employees and customers, reduced productivity etc.

Considering that the employer brand is the beginning of the formation of a psychological contract due to early brand associations (Backhaus & Tikoo, 2004), and that new hire internalization forms that contract, it is reasonable to assume employees would have a generally clear picture of what has been offered to them by an employer.

Therefore as a measure of retention performance, this indicator would compare new hire’s perception of the newly formed psychological contract in the current organization to his/hers current perceptions of what the ideal items are in a psychological contract. Any
discrepancies could indicate a mismatch between the new hire’s possibly unrealistic expectations and the real promises made by the firm. This could bring about the unwanted consequences from a perceived violation of the psychological contract by the employee (Backhaus & Tikoo, 2004). Furthermore, the pattern of employee satisfaction in the firm as discussed by Boswell et al. (2009) could be affected, resulting in negative effects for employee retention efforts in the longer term (Boswell et al. 2009; Dyhre & Parment, 2009).

4.6 Summary: Addressing the Research Problem

The indicators proposed so far under the theoretical framework of this research are part of a larger group. These have been selected given its stronger theoretical support presented in the literature researched in this study, and given the objectives selected for each stage of the conceptual model developed for this research. Further support to some of the indicators described so far will be given by the empirical study that follows. Key performance indicators that possess strong empirical evidence support (boomerang recruitment for instance) will be mentioned for the first time in this research at the empirical evidence chapter and in Appendix 2.

However, this research does not attempt to propose the perfect KPI’s. Instead, the indicators proposed should serve as a potential tool to be customized by organizations that see the problem of this research as a real challenge in its employer branding campaign. By applying the indicators proposed in the context of the EB model (Figure 7 p. 27), the problem solution proposed by this research based on the theoretical study developed so far can be depicted as follows by Figure 8:
In comparing Figure 8 to the research problem depicted in Figure 1 (p. 4) of this study, it can be assumed that developing KPI’s as a solution for the research problem would result neither in the theoretically perfect outcome of the EB process or in the uncertainties involved in the current use of EB in practice. The indicators placed at different stages of the employer branding process possess clear objectives and may be used as internal measures of employer branding performance. Therefore, their results should serve as a multi-perspective, probability based assessment of whether or not the right applicants/expectations are being internalized by the organization. Given that organizations investing in employer branding wish to make the most return out of their investment, it can be assumed that this solution provides a way to take the existent employer branding process closer to its ideal theoretical version.
5. Methodology

The methodology chapter provides an accurate description of the method used to develop this research including data collection.

5.1 Selection of Research Topic

The topic pursued in this study was first proposed at ABB’s thesis work presentation held at Mälardalen University. Employer branding was proposed as an open topic for research by Joakim Forsberg, the Employer Branding manager at ABB Sweden. As soon as the thesis work opportunity with ABB was secured by the authors, two meetings took place where ideas were presented to Joakim Forsberg and a research area within employer branding was decided. ABB’s main contribution and involvement in this study, besides providing mentoring and respondents in the empirical study chapter, was to provide the authors with a clear and relevant research topic and problem within employer branding. That was an advantage since ABB is an industry leader that highly values its workforce. The research was developed around the need for internal measures of employer branding performance. Joakim Forsberg perceived that as a topic needed to be explored at ABB for practical purposes as well as important for academic research.

The authors engaged on the challenge and proposed this research’s own conceptual model of the employer branding process where key performance indicators are developed upon. That was done in order to contextualize the development of internal measures of EB performance, the KPI’s, in a practical manner. The conceptual framework model developed is based on employer branding theory researched from a variety of academic journal articles and books in the area of employer branding. Each stage of the model, where indicators are positioned, is based on the theory that explains the objectives and purposes of employer branding.

It is of great interest of this research to propose a solution that can be used by organizations such as ABB to optimize their application of employer branding. The support received from Joakim Forsberg was essential to ensure this research addressed a topic within EB that is relevant and needed in practice at most organizations. By measuring EB at different stages, organizations such as ABB can better manage the process and differentiate its employer brand. From an academic perspective, the solution proposed (Figure 8) and results discussed in the analysis chapter provide many insights for the further development of EB and its performance measurement.

5.2 Approach to Research
During preliminary discussions with our supervisor at ABB it was agreed that the key performance indicators to be proposed could be a step towards a much needed new perspective in the employer branding field. Therefore, it was decided that given time constraints and the relevant purpose of this study, proving indicators by running surveys or analysis at ABB would not be attempted. Instead, attention was to be given to validating the method and solution proposed for internally measuring EB. This objective would be achieved by gathering evidence from professionals with diverse backgrounds and relevant practical experience in the field.

Data gathering was done through qualitative research which is a type of research that is interpreted and evaluated through words rather than numbers. This approach to research is effective when the aim is to gather data relating to attitudes, motivations and opinions of respondents (Yin, 2003). Interviews were prepared in order to collect qualitative data from the chosen respondents for this study. This is the only approach used in this research as it seems to be the most appropriate for reaching its objectives. A quantitative research approach, appropriate when the aim is to test theories through the use of statistical analysis, was not perceived as relevant due to time constraints and the scope.

5.3 Research Strategy

The theory gathered to develop this research and support the conceptual model and indicators proposed was also the basis of the semi-structured interviews developed (Appendix 1). Respondents provided empirical evidence in the form of qualitative data regarding the validity of research problem and solution proposed, and the possibility of practical execution of the indicators. According to Yin (2003), such an approach to research can be classified as deductive; basing the data collection and analysis of the research on theory previously gathered. On the other hand, Yin (2003) classifies an approach that proposes a theoretical framework from previously gathered primary data as inductive.

Therefore, the authors have taken mostly a deductive approach to create and propose indicators that were then brought to the attention of the respondents in the form of a semi-structured interview. The task of applying an inductive approach to confirm the efficacy of the indicators proposed is out of the scope of this research, and is proposed as future research. However, respondents were given the opportunity to scrutinize the application of the theory that supported the indicators created in order to provide a more practical perspective. So there is the possibility that theoretical foundation of the proposed indicators may not be conclusive especially when it comes to application and customization for different organizations.

The critical observation of professionals in the area of employer branding (respondents) provides further insights so that internal measurements of EB performance can eventually be applied in practice. Therefore, proving theory with empirical evidence was not attempted
and an open field for further development of EB and its performance measurement is still unexplored.

### 5.4 Choice of Theories

Theories researched and added to this study are part of distinct fields such as marketing, psychology, human resources, among others. They originate mainly from books and scientific articles where an attempt was made to match popularity of the source with its time relevance. The literature research was done mainly using the resources available at Mälardalen University library, where Jstor, Google Scholar, Emerald and Web of Science were the main databases explored for scientific articles. Relevant keywords utilized for the searches were: employer branding, human resources, employee attraction/retention, recruitment, selection process, performance measurements, and key performance measures.

In order to provide the main background to construct the conceptual framework model of EB process and contextualize the existence of the proposed indicators, the following articles and books were essential: “Conceptualizing and Researching Employer Branding”, Written by Kristin Backhaus & Surinder Tikoo, “Sustainable Employer Branding: Guidelines Worktools and Best Practices”, Written by Anders Parment & Anna Dyhre, and “Conceptualization of the Employer Branding Process”, written by Sandra Jeanquart Miles & Glynn Mangold.

The theoretical background that supports the purposes and objectives of EB was also discussed with this research’s supervisor at ABB in order to maintain the relevance of the study from a practical perspective. The input received from Joakim Forsberg helped the authors understand the need for the development of a conceptual framework model of the employer branding process (Figure 5 p. 19). The model is based on theory, and according to ABB it represents a relatively advanced stage of employer branding application when compared to many organizations applying the practice. It has clearly defined stages and it assumes the presence of the EVP in all parts of the process. As seen in the empirical study with the respondent from Company X, not every organization applies employer branding at that level. However, that is a model which all respondents agree to be striving towards.

The theoretical support for the proposed indicators originates mainly from the same theories that conceptualize the EB process. That improved the efficiency of this research, but it suggests that a deeper analysis of the different areas of study that surround the theory of the indicators proposed is advised. Section 4.2 of the theoretical framework, Key Performance Indicators, utilizes theory from a variety of sources where the general guidelines for developing successful KPI’s are presented. The sections that follow in the theoretical framework propose ideas for successful KPI’s based on a solid EB process context, but the foundation for the construction of good KPI’s in different organizations from section 4.2 should be followed.
5.5 Choice of Companies & Respondents

As previously discussed, ABB was the main organization involved in this research. Because of its contribution, the models developed to represent the employer branding process are based in theory but have also been considered by ABB to be the desired situation for their employer branding campaign. The research problem, besides being a common issue among organizations (see empirical study chapter), is a problem that ABB currently considers. That may not be the case with organizations where the EB process is less developed that that depicted in Figure 5.

Based on theory and the empirical study of this study, two characteristics are common in organizations applying EB at a less developed level of the process when compared to the model proposed in Figure 5. Organizations that do not address all stages depicted in Figure 5 as relevant for the success of employer branding, and/or organizations that refuse to assume that the EVP is the driver of employer brand. Both these characteristics are considered in the literature (Dyhre & Parment, 2009) and by two of the respondents in this research, as essential for the full utilization and success of employer branding. However, all organizations applying EB strive towards developing the process to its best potential, as can be seen through continuous investment growth worldwide (Dell et al. 2001). Therefore, the research problem remains relevant to firms at different levels of EB application since organizations wish to get the best performance out of the process, which is the objective of the solution proposed by this research (Figure 8 p. 35)

There were three main respondents in this research which were divided in two different categories:

Organizations applying employer branding: Respondents were employer branding managers from ABB and Company X (anonymous), both multinationals employing over 100 thousand people in over 100 countries worldwide. Both these companies have been applying employer branding for nearly a decade. Respondents in this category provided an organizational view of the problem and solution proposed based on their experience. Their duty to share only limited information on record was acknowledged in this research and was the reason why a second category of respondents was added to the empirical study. At ABB further input for the interviews was also given by professionals in the field of recruiting in order to assess the applicability of some of the indicators proposed by the authors.

Independent Employer Branding Consultant: A respondent from CoreWorkers AB Sweden, considered an expert in Employer Branding was selected. The respondent was secured with the help of Joakim Forsberg from ABB. CoreWorkers is an independent consulting company that provided a practical as well as academic view on the content proposed by this research. This respondent was much freer to share information and his experiences in the field of employer branding. As opposed to the respondents in the previous category, this
respondent was not bound by organizational rules of any organization preventing him from sharing information that may expose a competitive advantage. Furthermore, the respondent could also provide valuable insights and strong confirmation of this research’s problem and solution, since he possesses broad experience from different organizations on different levels of application within the employer branding field.

### 5.6 Data Presentation and Analysis

In order to maintain coherence, the propositions and findings are presented in a structured manner in this thesis. This has been done first by creating a conceptual framework that divides the theory in a more comprehensive model where the research problem can be seen (Figure 5 p. 19). Secondly, all indicators proposed were divided according to the stages of the conceptual framework model (Figure 7 p. 27). The end of the theoretical framework section provides a summary with a graphical representation (Figure 8 p. 35) of the solution this research proposes for the problem encountered. The empirical study chapter is divided in two sections: Validating the purpose of this research & Applicability of proposed indicators. The first section is divided in a structured manner to allow a clear understanding of the respondent’s opinion in regards to the research as a whole. The second section is divided in a similar way as the indicator sections from theoretical framework, and is where respondents share their practical view on indicators proposed. The analysis chapter follows the logic from the theory which was used to develop the solution for the research problem, in combination with the evidence originated from practical experience of the respondents. In the analysis, all relevant topics discussed in the theory are addressed.

The interviews were prepared in advance and the respondents were first made acquainted with the nature of this research and its objectives. Questions can be found in Appendix 1 of this document and were divided between two groups: validity and relevance of the problem and solution of the research and practical applicability of the indicators proposed. This is the same structure used in the empirical study chapter. Not all respondents answered to both groups of questions, as time constraints did not allow the employer brand manager at Company X to do so. All answers were collected in audio recording. The semi structured interviews allowed for great insight of the respondents and added practical detail that the theory alone would not have provided.

### 5.7 Choice of Data Collection

The choice of data collection was made given the nature of the research question, and what was considered in this research the best way of answering it (Ghauri & Gronhaug, 2005). Given the purpose of this study, primary data was mostly used in order to validate propositions, with three interviews made with professionals in the field of employer
branding. Malhotra (2010) emphasizes the differences between primary and secondary data which are presented below.

5.7.1 Secondary Data

Secondary data is formed by existent information gathered from previously conducted research. This type of data can be essential in a research which adopts a deductive and qualitative approach, but limitations are often encountered and more information necessary. That implies the need for primary data (Malhotra, 2010). Besides the secondary data which may not be considered part of this thesis’ literature review, much of the secondary data gathered helped developing the background for ABB as the case company in this research. ABB’s Swedish and international websites were used and internet websites were also used to develop part of the Key Performance Indicators section of this study where common methods of KPI development were researched. The Mälardalen University library was used mainly due to its online databases such as Google Scholar, Emerald and Web of Science. Relevant keywords utilized for the searches of secondary data were: employer branding, human resources, employee attraction/retention, recruitment, selection process, ABB employer branding, best practices, employer ranking in Sweden, key performance indicators, KPI, performance measurement.

5.7.2 Primary Data

Primary data is gathered in order to address a particular need for information in a research (Malhotra, 2010). Some of the primary data used to find the problem addressed by this research was gathered through informal meetings with Joakim Forsberg at ABB’s corporate headquarters in Västerås, Sweden. Through subsequent emails exchanged with Joakim the problem specification described in the introduction chapter was finalized, and internal measures of employer branding performance was focused upon. The meetings at ABB headquarters continued for a period of about six consecutive weeks where Joakim Forsberg provided valuable insight and mentoring as the thesis work progressed.

In addition, more primary data was gathered through semi structured interviews conducted to validate the purpose and problem solution proposed. Primary data gathered through semi structured interviews also allowed insight into the applicability in practice, of the key performance indicators proposed. The process of the interviews can be described as follows:

Interviews

The interviews were required since the objective of the empirical study was to gain the perspective of employer branding practitioners and professionals on the solution proposed by the authors to the problem encountered. The case study company, ABB, was the first confirmed respondent where semi structured interviews were organized. Joakim Forsberg was essential for securing more interviews, providing his professional network of contacts as
a source of potential respondents. Interviews were then arranged with two respondents besides ABB, which increased the possibility of new perspectives and interpretations of the solution proposed in this study.

Interviews were mainly performed in a semi structured manner through the telephone as well as in face-to-face encounters. Face-to-face interviews provide a higher level of understanding between respondent and interviewer while facilitating follow up questions (Sekaran, 2003). Telephone interviews, however, still allow for such practices but do not provide the assessment of body language which can be a valuable input during the process. A semi structured model was required mainly because of particular biases and interests to be protected by each of the respondents. Particularly in the case of employer branding managers who had the duty to share only limited information on the record, the flexibility of this method of interview was essential to get appropriate answers (Holloway, 1997). Follow up questions and further discussions were constantly required in order to get the material needed to develop the analysis chapter. A more accurate description of the interviews follows in chronological order.

Company X
Company X has requested anonymity in this study because of internal policies that must be followed. Its employer branding manager, who will be addressed here by the name of Anna Anderson, was contacted by email a week before the interview was performed. The respondent received an email containing a draft of the research completed up to that time. The draft contained sufficient information to allow the respondent to be familiarized with the problem, theory and solution proposed by the study. In addition, the respondent received a one page summary of the thesis emphasizing the problem and solution proposed, as well as the set of questions to be answered during the interview. That was done in order to provide the respondent with an understanding necessary to apply their practical experience when answering the questions in the interview.

The interview with Anna Anderson was performed through a telephone call that lasted approximately 45 minutes on the 14th of May at 11am. It was recorded as permission by the respondent was given. Despite being aware of the purpose of the interview and the content of the research in question, Anna was given detailed explanation of specific topics as the interview progressed. The conversation flowed with ease but encountered some barriers when questions regarding the application of the indicators proposed were discussed. Given personal schedule and time constraints as well as the method of interview (telephone), the respondent was not fully aware of the details required to execute some of the indicators. However, as the section titled Company X under the empirical study chapter shows, the respondent was aware of the most important information required to fulfill the purpose of the interview: validate the research problem, its purpose and the solution proposed.

The interview was beneficial as it provided the insight of an employer branding manager working in an organization that is considered by the respondent to be in a relatively early
stage of employer branding implementation. Consequently, the conceptual model and problem solution proposed by the authors were scrutinized from a unique perspective when compared to the other large organization and employer branding consultancy interviewed.

CoreWorkers AB
CoreWorkers is a consulting company specialized in employer branding. Its Swedish branch CEO Fredrik Stranne was contacted by e-mail, where a face-to-face meeting was established to take place in their office located in Stockholm. In this e-mail correspondence an executive summary of the research, a thesis draft and the interview questions were provided one week before the meeting. This enabled the respondent to be prepared for the interview and get a basic understanding of the topics to be discussed during the interview.

When the actual interview took place in Stockholm, at 4pm the 16th of May 2013, it was clear that the respondent was prepared for the interview since all the documents were printed and the respondent was reading them just before the meeting. The respondent consented to having the interview recorded and it lasted about 1 hour and 20 minutes. The interview started with questions about the respondent’s background and previous experience within the field of employer branding. After basic background information had been gathered, the authors made a brief presentation of the research problem, research model, conceptual model of employer branding process and the research’s proposed solution. In addition, the indicators were presented and discussed in detail, which allowed the respondent to have a clear understanding of all major areas of this study.

When a full understanding had been reached the interview questions were formally asked to the respondent and clear, definitive, answers were given. Conversation flowed freely and the atmosphere was light and friendly. There was no feeling of time constraints, which facilitated deep discussion about every aspect of the research. Since the meeting was face-to-face it enabled the respondent to use hand and facial gestures, together with drawings to help the interviewers understand his answers more clearly, as Sekaran (2003) describes to be the benefits of face-to-face interviews.

This interview was fundamental for this research as it provided independent, practical and academic perspective from a valuable source of empirical evidence. The respondent possesses a broad knowledge about the implementation of employer branding in many different organizations which added to this research a new perspective compared to the other interviews. Much of the concepts such as the EVP, that is fundamental for this research, were solidified by the respondent and gave the authors a clearer understanding of the definitions. Valuable empirical evidence regarding the research problem and indicators were provided by the respondent, which facilitated the analysis of this research’s problem and the indicators proposed.
The interview at ABB occurred in a different fashion compared to the other respondents in this study. Joakim Forsberg, the employer branding manager at the organization, supported and followed the development of this research from its beginning in mid-April 2013. His guidance was essential in every step of this study. Therefore, Joakim has been willing to respond to the interview question from an early stage, and was also aware of the details surrounding most aspects of this research.

Throughout the process of preparing interviews, weekly meetings with Joakim helped the authors to prepare questions as well as familiarize the respondent with the objective behind each question. When the time came to officially answer the questions with content to be used in the empirical study chapter, a meeting was booked in advance through email. Joakim received all the material; research summary, interview questions and latest draft of the thesis, as did all other respondents, and a location, time, and date were set for the interview.

The interview meeting occurred at 10am on the 17th of May 2013 at ABB offices in Västerås. The face-to-face meeting began by updating Joakim in the progress achieved with all other interviews so far. As discussion progressed it was agreed by all involved that the questions could be more efficiently answered by Joakim through email. As the respondent was fully aware of the problem, purpose and solution proposed by in the study, it was believed that no further explanations were required and the respondent would be more likely to provide quality answers if it was done in writing. That would also facilitate the author’s task of writing ABB’s section under the empirical study chapter. In addition to his answers which were received by email, Joakim Forsberg added another responded to participate answering some of the questions regarding the applicability of indicators. This respondent, also from ABB, was Ulrika Ekengren-Allen, the Regional Talent Acquisition Manager for ABB in Northern Europe. Her participation increased the quality of the information gathered in the empirical study.

The answers received were in line with what all involved expected, as all questions had been thoroughly addressed and the respondent provided his perspective on the work that had been presented. Joakim’s professional background and position as the EB manager of the second most popular employer in Sweden according to public opinion, provided this research with valuable insight. His criticism addressed points in the research which, from the perspective of his organization, are considered valid and important. Joakim also pointed out the areas perceived by ABB as challenge for KPI implementation in practice.

Overall, this interview served to provide the insight of an organization which can be considered to be at an advanced stage of EB application. That is assumed given Joakim Forsberg acceptance of the model and solution proposed in this research and his conviction that ABB is striving to practice employer branding as seen in the model of Figure 5 (p. 19) and 7 (p. 27). The authors acknowledge the possibility that the answers provided in this
particular interview may be considered optimistic, especially organizations that do not possess well-developed employer branding campaigns and are far from achieving the application of the process as proposed in this study. Nevertheless, the answers provided by this respondent were honest and critical given its current position within employer branding, as was the information provided by all other respondents.

5.8 Validity and Reliability

5.8.1 Validity

It is argued that validity and reliability are different types of measures of the quality, rigor and wider potential of the research, which are achieved according to a certain methodology and principles. Validity means observing and researching the right “things” (Bryman & Bell, 2007).

Internal validity as proposed by Lundahl & Skärvad (1999) must ensure the data gathered at interviews provide the required and relevant information. Therefore, interview questions (Appendix 1) in this research were developed in accordance to the conceptual model and indicators proposed, which were supported by the theoretical framework developed. The respondents were chosen with the help of Joakim Forsberg from ABB, to ensure appropriately qualified answers.

Furthermore, in order to achieve a liable research study and results that may be applicable in more firms than the researched one, all the chosen data on employer branding and secondary information about ABB are actual and significant for this study. Given ABB’s investment and attention to employer branding as well as its popularity as an employer in Sweden (Linder, 2013), it is believed that the results of this study can be useful to any organization attempting to address the issue of EB performance measurement.

5.8.2 Reliability

Given the purpose of this study and its scope which focused on approaching employer branding measurement from a new perspective and gathering the views of professionals on its applicability and relevance, reliability has been of prime importance. According to Bryman & Bell (2007), reliability consists of credible and logically acceptable findings, credibility; the possibility of transferring the findings into other contexts, transferability; likelihood that the findings would be encountered at different times, dependability; input from researches own opinions in the findings, confirmability.

The theoretical foundation of this study has been developed after a thorough and disciplined review of the scientific research available on Employer Branding in the library and online
databases at Mälardalen University. In addition, consistent tutoring and guidance was provided by ABB’s employer branding manager, Joakim Forsberg, so that a focus was maintained in the relevant aspects of what was to be studied. Furthermore, in order to gain insight and approval from independent employer branding professionals, emails were exchanged at the literature review stage of this research with Brett Minchington MBA. Mr. Minchington is the chairman/CEO of Employer Brand International (EBI) and a recognized global authority in employer branding (About Brett Minchington, 2013). His experience and insight provided further confirmation of the relevance of this research for the employer branding field.

The respondents for the interviews were gathered based on the suitability of their work experience to the questions of the interview. That was done with the support of ABB’s Joakim Forsberg. In this research, ABB can be considered the corporate respondent with the most advanced employer branding campaign, while Company X is at a different stage of EB implementation. That provided different perspectives from these two respondents even though their corporate background was similar. The third respondent, independent employer branding consultant at CoreWorkers AB, provided a new perspective given its background, which added mode value for this research.

The authors of this study, given the abundance of professionally qualified insight and guidance, were comfortable to take a passive position when it came to adding personal opinions or affecting the findings with personal attitudes during the study. Consequently that was not consciously done by the authors. Therefore, it is believed that all aspects of reliability as perceived by Bryman & Bell (2007) were respected at all stages of this research.
6. Empirical Study

The empirical study chapter presents the data collected in the semi-structured interviews organized with respondents from two different groups within the employer branding field. The interviews were developed to scrutinize the validity and applicability of the research’s purpose and the key performance indicators proposed.

The first section of this empirical study aims at gathering data to validate the purpose of this research and the solution proposed to the research problem encountered. The objective of the second section, Applicability of indicators proposed, is to assess whether the practical application of some of the indicators proposed is possible. Respondents from two distinct practitioner groups within employer branding were interviewed to ensure that the material gathered takes into consideration different respondents’ backgrounds and perspectives. That way the evidence gathered by this research is likely to remain relatively unbiased. The two groups of respondents consist of:

- Employer branding managers from two different Swedish multinationals, ABB and Company X (Anonymous), employing over 100,000 people in more than 100 countries worldwide.
- The CEO of CoreWorkers AB in Sweden, an employer branding agency based in Stockholm. CoreWorkers provides consultancy to organizations willing to nurture and refine their employer brand and its process.

6.1 Internal measurement: Validating the purpose of this research

6.1.1 Company X

Degree of involvement with employer branding

This organization has asked to remain unidentified in this research, and will be referred to as Company X. Its employer branding manager, who will be referred to as Anna Anderson, has been on the position for the last three years but is aware that employer branding has been officially applied for about ten years at company X. In line with Dell et al. (2001) discoveries, Anna is aware that variations of employer branding have been applied in the organization, under different names, since the 70’s.

Anna Anderson emphasized early in the interview that even though employer branding is officially used today in many organizations, the process is perceived differently in each firm. At Company X, employer branding is considered an external marketing effort created to develop an employer brand and image. The internal perspective of employer branding, what this research describes as the selection and retention stages, is referred to by Company X as talent management (Stahl, o.a., 2012). That highlights the importance of the conceptual
model of EB process developed in this research (Figure 5 p. 19), as different firms consider employer branding to be different things. Anna considers Company X to be in the early stages of the implementation of employer branding, therefore the firm does not necessarily identify with the conceptual model proposed by the authors where three different stages of the EB process are presented.

Measures of Employer Branding
Company X does not possess measures to directly assess the success or performance of its employer branding campaign. Anna Anderson points out that the closest measures are public surveys that measure employer attractiveness in a targeted segment of the population that may represent potential, ideal employees. As seen in the problem discussion section of this thesis, such measures do not provide sufficient EB performance evidence, but only a picture of how the employer brand is perceived externally; strengths and weaknesses the public associates the company with. In addition to this measure, Company X also tries to ensure through evaluations and feedback, that its efforts to engage with the public in external events such as job fairs are of high quality.

Company X therefore, possesses no clear indication to help identify whether the right applicant is being attracted, selected or retained based on identification with the firm’s values or its employer brand. Anna Anderson agrees that the main purpose for implementing employer branding is to attract, select and retain employees who identify with the employer brand and its EVP. However, the theory is much different from the practice in this manager’s opinion:

“I have no knowledge if people join our organization due to the employer value proposition that we market. It would be the ideal scenario, but it may also be naïve to assume that this is always the case. People join the organization for some feature that they find attractive, and hopefully our organization can channel the features that hold true in the firm through the EVP. That may be used to attract other applicants that identify with it.” Anna Anderson

Selecting the Right Applicant
Despite understanding and acknowledging the potentially positive effects of successful attraction and retention resulting in an improved selection process in the future, Anna says there are no conscious efforts made in Company X to link the different stages of employer branding. No measures exist to assess whether attraction or retention performance is positively or negatively affecting the efficiency or quality of the selection process.

Company X possesses highly experienced recruitment agents who are trained to ensure the core values of the organization are to be used as criteria to identify the right applicants. Recruitment agents, according to Anna Anderson, are somehow in a sales position, and part of their job is to ensure the appropriate candidate is secured by the organization regardless of what the performance of other stages of employer branding shows. Agents are also
expected to keep track of the development of the candidates they select to the organization, which somehow ensures quality of the new hires.

**Applying the Proposed Indicators**

Anna Anderson believes that creating indicators to measure the performance of each stage of the employer branding process could provide valuable information for the firm. However, because of the many different aspects involved in the creation of these indicators, increased collaboration between the different functions of Company X will be needed. Particularly the need for increased communication, as different departments would be required to share a larger amount of information which is not currently shared. In this EB manager’s opinion, that would require a communication strategy that allows relevant information to be appropriately managed throughout the firm.

A supporting organizational culture was also mentioned by Anna as a requirement for the implementation and development of the indicators discussed. Because of the need for improved collaboration and well managed communication, elements such as appropriate office environment and leadership styles are a requirement for success when implementing measures of internal EB performance at according to Anna.

**Validating the solution for the research problem**

Assuming the indicators proposed in this research present reliable results based in sound methodology, Anna Anderson agrees that they can be used as a solution for the lack of internal measures of employer branding performance. A variety of indicators at different stages of the employer branding process would represent a probabilistic view as to whether the right applicants are being internalized. Consequently, results would help assess whether the main objectives of employer branding are being achieved. Therefore, Anna considers the solution proposed as a step in the right direction when it comes to improving employer branding. However, when asked if the solution can be considered a realistic approach towards addressing the lack of internal measures, Anna Anderson adds:

“Whether or not it is realistic depends on how much effort is put into developing these indicators. I think many companies would struggle to have the resources that are needed available at hand.” Anna Anderson

In addition, when asked if the conceptual framework model proposed in the research can be considered a similar representation of the employer process in Company X, Anna Anderson concluded:

“It sounds like a valid representation of the process, however, Company X is not there yet in the application of employer branding.”

Anna is skeptical about the use of theoretically built indicators in the practical business environment due to some of the issues mentioned by her in this interview. However, as the employer branding manager of a large multinational, she believes this research proposes an
interesting solution to a valid problem. The possibility of improving attraction, selection and retention of the right employees would be in her opinion, of great value to the employer branding field as well as for Company X.

6.1.2 CoreWorkers AB

**Degree of involvement with employer branding**
The respondent for the interview at CoreWorkers AB was Fredrik Stranne, the CEO of the Swedish office of the organization. Fredrik has a human resources background and has worked for 10 years at Arla Foods, a large Swedish organization producer and distributor of dairy products. His trainee beginnings at Arla Foods allowed him to gain experience in the marketing department of the organization where he gained insight in important functions of Arla’s marketing strategies such as targeting, building value propositions, communication channels, packaging etc. In 2001, a combination of the respondent’s background and Arla’s development of its employer brand provided a platform for Fredrik to pursue an international scholarship opportunity that resulted in six months of work in Philadelphia, USA. During his period working at the Philadelphia’s School of Business, Fredrik performed extensive research in employer branding, which at the time was mostly referred to as employee relationship management. That can be considered an appropriate title for EB in Fredrik’s opinion, since similar to customer relationship management, the goal of employer branding relates to managing employees’ relationships. In his return to Europe, Fredrik started working with CoreWorkers in Denmark as a client, in order to further develop Arla’s employer value proposition and employer branding campaign. That was the beginning of the relationship between Fredrik and CoreWorkers which resulted in the position of CEO for the Swedish office of the organization in Stockholm.

CoreWorkers AB has been in Sweden with Fredrik Stranne as its CEO for approximately seven years. The firm provides consultancy to organizations at various levels of employer branding application. The services provided by CoreWorkers vary among a variety of client needs; talent management, identifying target groups, clarifying the appropriate employer message to be marketed by organizations, packaging the employer value proposition to be sent to appropriate target groups, among other things. Fredrik Stranne’s academic and practical experience in the fields of human resource management and employer branding provided a thorough and critical analysis of the research problem and solution proposed by this research, as is the purpose of this empirical study.

**Measures of employer branding**
According to Fredrik, internal measures of processes such as employer branding have been of interest for HR professionals over the years, and a challenge that remains unsolved. Common metrics used to measure employer branding success in organizations have been relatively limited based on the respondent’s opinion; employee turnover, quality of applicants, external surveys assessing employer attractiveness. Besides such measures deemed by this research as rather ineffective when assessing employer branding
performance (refer to problem discussion), some organizations also apply internal measures of employer attractiveness based on employee opinion. Fredrik highlights the work of a global human resource consulting organization called Great Place to Work. One of the services provided assesses employer’s quality and attractiveness from employees’ perspective within the organization. Such measures are then ranked and comparison is permitted among different organizations, providing valuable information to managers such as whether their company successfully delivers the promises made to employees.

Fredrik believes when current internal measures of employer branding performance allow assessing the quality of applicants, they may provide organizations with insight into the clarity and meaning of their EVP. That is especially useful in situations when the number of applicants for open positions is high, as the costs of processing applicants can be very high.

**Selecting the Right Applicant**

According to the responded, resource allocation within employer branding is generally a problem in most organizations, and most often the selection process receives too much attention. Fredrik introduced to this empirical study the concept of talent pools as a way to better allocate resources to the most important stages of EB. By creating talent pools, where applicants who were not recruited in previous selection processes remain in close contact with the organization, the need for starting costly new selection process from the beginning would be reduced. Fredrik explains that social media tools such as LinkedIn allow rejected applicants to remain in contact with the organization, express their interest in possible positions that may open in the future while maintaining an updated record of their documents (CV) that the firm can analyze. That would facilitate an organization’s selection process, improve the communication between parties involved, increase the speed which employees are taken through the selection process, reduce its costs, etc. More importantly, solutions such as the creation of talent pools would allow resources to shift to attracting and retaining the right applicants, which in Fredrik’s opinion is more relevant if an organization is building an employer brand.

“All the money (allocated by organizations) goes to selection of applicants, but it should instead go to attracting and retaining them. If you work internally with the EVP, employees will spread the EVP word. I would say, retention should come first, attraction second and selection third in level of importance.”

According to Fredrik, a few big campaigns aimed at attracting applicants should allow the organization to create and maintain a useful talent pool, and as resources are driven away from selection process and into strengthening the EVP internally, the brand message and its external awareness would grow. Currently CoreWorkers most often help organizations with the attraction and retention stages. Fredrik emphasizes the power of social media and how important internally strengthening the EVP is to encouraging employees to become brand ambassadors. Social networks permit instant sharing of information by employees, and a
powerful internal brand promotes sharing of messages that can further develop an employer brand.

“People must live and breathe the EVP inside the organization, both the promises and the demands that it represents. That makes employees the channel for communicating the employer brand.”

**Applying the Proposed Indicators**

A generation shift is occurring in HR while the popularity of employer branding has been increasing among professionals in the field. In Fredrik Stranne’s experience, after returning from the USA in 2002 with increased knowledge on employer branding, the interest on the subject seemed higher. He believes that was due to a variety of factors one of them being the new generation of HR professionals that is now aware of employer branding. However, at least five to ten years will be required for most organizations he knows to address all stages of the process proposed by the EB conceptual model of this research. Therefore, considering the application of the KPI’s proposed in this research may be a long term objective for most firms.

Fredrik emphasizes the need for increased integration between HR, marketing and communication departments in most organizations so that internal measures of employer branding such as the ones proposed can be developed. Especially important in Fredrik’s opinion is the role that communication departments play in integrating the functions that are key to the development of employer branding, i.e. marketing and HR. Internal messages must be sent across the organization and externally in a transparent manner, which in some cases especially when marketing products, is not the case.

**Validating the solution for the research problem**

Based on the conceptual model where the KPI’s developed in this research were contextualized, Fredrik Stranne agrees that positive results of KPI’s can be considered an indication of the higher probability that right applicants are being attracted, selected and retained in the organization. That would depend on the each indicator’s quality, relevance and the methodology in which it is based. Therefore the insights and rules described in the Key Performance Indicators chapter of this research are an essential starting point for someone attempting to apply the KPI’s proposed in this research as. Furthermore, the possibility for managers to act on the results given by the indicators is essential in Fredrik’s opinion.

“Just measuring internal performance won’t improve the process, but you will get an understanding and foundation for what needs to be acted upon. Action must be taken as well.”

For the field of employer branding, Fredrik considers the approach towards performance measurement as described in this research a step in the right direction. Because of his practical experience in the employer branding field and facility to connect the ideas that
were presented to him with work previously done by CoreWorkers with other clients, Fredrik sees many opportunities that can be developed from the solution proposed in this research. One important variable that should be emphasized by the model and KPI’s proposed is cost cuts resulted from the solution. That goes parallel with the importance of creating a representation of the solution proposed where users can clearly see in which areas progress is being made, and how close their employer branding process is to full optimization and efficiency.

Fredrik Stranne believed the conceptual model and indicators proposed in this research provide ideas and insights which can be utilized by CoreWorkers in some of the services provided by the firm. Identification of appropriate EVP messages present in certain stages of the EB process, right description in job ads, and identifying what really inspires and motivates employees to be part of the organization are some of the output Fredrik believes can currently be gained from the indicators proposed in this model.

6.1.3 ABB

Degree of involvement with employer branding
The main respondent for the interview at ABB Sweden was Joakim Forsberg, project manager for employer branding. Joakim has over five years of experience within employer branding. He has been a part of every step of the employer branding process at ABB; employer value proposition projects aimed at delivering the EVP to marketing communication strategy, events, employer branding campaigns and recruitment campaigns. Joakim possesses a broad experience in brand management, channel strategy and development of new channels. Identification of global EVP and development of guidelines are also part of the respondent’s experience due to practical work with fine-tuning EVP’s into domestic markets. Furthermore, he possesses a broad knowledge in strategic resourcing.

Measures of employer branding
Measuring employer branding success has mainly been done from an external perspective through surveys, which in the respondent’s opinion, is not enough in order to evaluate the whole process. When it comes to ABB, Joakim comments that attraction measurements and alignment between external and internal perception of the brand (employer brand alignment) have been executed. In addition, internal employee surveys such as the ones mentioned by the responded from CoreWorkers AB, were used to assess employee satisfaction related to the company as an employer. However, these measures are limited in the respondent’s opinion and not enough to indicate level of EB performance or if the right employees are being hired.

“There is a need for measurement of other benefits besides attractiveness related to the work with employer branding. The scope of employer branding is much bigger than only
“attraction, and there is a lot of other key results that in fact are as important as attractiveness or even more important.”

Selecting the Right Applicant
ABB has so far focused most of its resources on the attraction stage of the employer branding process and on brand alignment. This is due to the current EB performance measurements in place which are external surveys to measure attractiveness and internal surveys to identify employee satisfaction. Currently available measures of EB allow the firm to be proactive based only in the limited information gathered from such measurements. The respondent highlights that in practice, the things which you can measure will be the things that will be done.

The recruitment and selection process is considered by the respondent a delicate stage of employer branding and where many costly mistakes can occur. The high quality of recruitment agents and professionals that are responsible for this stage ensures that appropriate applicants are hired, but Joakim believes the other stages of the EB process should facilitate the task of recruiters. The respondent believes that improving the attraction stage by measuring performance and acting upon results will, if executed correctly, strengthen the recruitment process since you will attract the right person that matches with the company’s values and the job specification. This individual will also tend to stay longer with the organization.

Applying the Proposed Indicators
Applying indicators such as the ones proposed in this research can be done according to Joakim. However, the time perspective for organizations to do so cannot be guessed. Based on his experience and knowledge regarding the stage of development of employer branding at ABB and other organizations, Joakim believes the application and utilization of the proposed indicators would occur in the long term (5-10 years). This is mainly due to the fact that the indicators proposed may require information that is not readily available to many firms and that different functions would have to increase their coordination and improve their communication. To keep developing employer branding to the point where measurements such as the ones proposed in this research can be executed, the commitment and integration between different functions must continue to increase.

Joakim agrees that the success of the selection process is dependent on the performance of the attraction stage and a determinant of retention stage performance. Measuring these stages through the use of KPI’s, and working towards ensuring positive results would increase the probability that the right applicants are attracted, selected and retained in an organization according to Joakim. He also stressed that an approach towards the measurement of EB process and its outcomes is be a step in the right direction, as the value that the solution proposed in this study would bring for organizations and for the future of EB research is clear.
Validating the solution for the research problem

The conceptual framework (Figure 5 p. 19 and 7 p. 27) proposed by the authors is, in Joakim’s opinion, the representation of the ideal EB process, and it reflects a clear model which ABB strives to achieve in its employer branding campaign. Achieving the level of where all stages are clearly addressed would, in Joakim’s opinion, allow his organization to utilize the indicators proposed in this research. Even though some of the indicators can be currently made useful with the information and resources available to date, Joakim would consider utilizing and customizing most of them for ABB as long as the data needed could become easily accessible.

Joakim agrees that measuring employer branding would increase the probability of attracting the right applicants to be selected and retained by the organization. Furthermore, the respondent considers the importance of measuring more than just the attraction stage through external surveys to be critical, which is why this research into internal measures of EB performance was done in cooperation with ABB.

6.2 Applicability of Proposed Indicators

This section of the empirical study brings the information gathered from experts in the employer branding field with their critical view on the practical applicability of the indicators proposed. Given the scope of this study, the indicators proposed are only used as a tool to develop the concept of measurement within the employer branding field. Therefore, this section was not perceived by the authors as a requirement for answering the research question. Its relevance and importance for researchers reading this thesis is unquestionable, so the section has been added as Appendix 2 of this thesis. Appendix 2 provides valuable information from a practical standpoint when it comes to applying the indicators proposed, and some of its content will be discussed in the Analysis chapter of this study.
7. Analysis

In the analysis chapter the primary and secondary data gathered are used to analyze the validity and applicability of the solution and indicators proposed in this research.

The qualified respondents who were part of the empirical study provided valuable insight on the theoretical foundations used to develop this research, and their opinions in a variety of aspects discussed in this thesis will now be put into the context of this study. That is done by addressing the main topics used to build the solution proposed, assessing whether the propositions made are valid in the current business environment and applicable in practice.

7.1 Internal measurement: Validating the purpose of this research

Research problem & Perceptions of the EB process

The problem found by this research relates to the lack of measures of employer branding performance. Currently that stops managers from assessing the quality of the process and ensuring that only the right applicants and employees are attracted and retained in the organization. The purpose of this study was to develop a solution to measure EB performance. That required the creation of internal measures of EB performance (KPI’s) contextualized in the conceptual framework developed (Figure 7 p. 27). All respondents in this study agreed that such internal measures could bring great value to the organization, and the model created to accommodate the indicators was a good representation of the ideal EB process.

However, it has been observed that the research problem is perceived differently by the two major multinationals featured in the empirical study chapter, ABB and Company X. The EB expert interviewed, Fredrik Stranne’s from CoreWorkers AB, fully agrees that the research problem is a clear issue faced by organizations and the field of HR over many years. Despite that, the organizations featured in this study have distinctive views of the problem mainly because of practical internal issues that stops them from developing employer branding further. The result are different approaches and resource allocation to employer branding especially when it comes to taking action to improve the practice or face the problems it EB may encounter.

Company X’ employer branding manager, Anna Anderson, emphasizes her company’s early stage of development in the implementation of employer branding. Company X’s definition of EB extends only to the external marketing effort created to develop an employer brand and image. Therefore, Anna Anderson’s perception of the research problem was mostly focused on the attraction stage of employer branding, stage 1 in Figure 5 (p. 19). The selection process and retention stage in the context of the conceptual model proposed were
not considered relevant by Anna, and the relationship between the performances of this three stages was seen as a theoretical supposition. On the other hand, ABB’s employer branding manager, Joakim Forsberg, perceives the employer branding process as a way to promote the employer brand to potential and current employees, which is more aligned with the views of Fredrik Stranne. ABB’s employer branding campaign aims at addressing all stages of the process consistently; attraction, selection and retention. Despite ABB’s EB process not being fully developed as the conceptual model of this research proposes, Joakim Forsberg sees the practical implications of the mutual relationship between the three stages of the conceptual model in Figure 5 (p. 19). Furthermore, ABB agrees that the KPI’s proposed for internal performance measurements in the context of the EB process (Figure 7 p. 27) are a way to increase the chances that employees join and remain in the organization because of the employer brand and it’s EVP. At Company X, Anna Anderson considers it a naïve assumption to believe that applicants hired are attracted and remain in the organization because of the core values present in the company’s EVP.

Organizations perceiving employer branding differently because of their stage of development in the process, perceive the research problem and possible solutions for the problem differently. Despite the conceptual framework model that puts the solution proposed (KPI’s) in a single context, where common objectives of EB are addressed, not all companies see it as a realistic proposition. As a result, the relevance of the purpose of this research may vary between organizations and their level of involvement, commitment and understanding of the process of employer branding.

**Measuring performance & Acting upon results**

The current approach of organizations towards employer branding process is also reflected by the current measurements utilized to assess performance. ABB has currently more ways of assessing performance than what was mentioned by Company X. While considered limited to evaluate employer branding performance or ensure internalization of right applicants, such measures provide the information which currently serve as inputs for decisions made by managers. As put by Joakim Forsberg, “...what gets measured gets done”. The possibility to improve the number and quality of such internal measures, as this research proposes, would in all respondents’ opinion bring value to the organization. Achieving a higher level of performance measurement would, based on the empirical evidence gathered in this study, require organizations to continue developing employer branding and addressing barriers that limit its full potential.

The barriers mentioned by the organizations interviewed affect the integration of important functions which are essential for the development of EB. It is clear from all respondents consulted by the authors that achieving the successful construction and utilization of the indicators proposed will only be possible if the employer branding process is further developed. In fact, all respondents agreed that achieving the EB process depicted in Figure 7 (p. 27) will take at least five to ten years.
Based in experience with a variety of organizations, Fredrik Stranne from CoreWorkers AB believes improved communications is the top priority if the goal is to measure EB effectively. He has witnessed an increased interest and popularity of employer branding in the last fifteen years and believes many EB managers see the benefit with applying the practice in its full potential by integrating functions. To do so, all respondents agreed that a compromise from the whole organization is needed and a starting point is to improve communication strategies and management. Anna Anderson from Company X also highlights the importance of an appropriate office setting within the firm where corporate culture and leadership styles support the development of EB. Evidence from Company X as well as theory suggest that appropriate organizational culture is needed to facilitate the gathering of data required to measure EB performance internally through KPI’s.

Some current barriers for the developments and measurement of EB were also mentioned by respondents. Both employer branding managers from ABB and Company X see the scarcity of available resources for managers as a barrier to develop EB and use the solution proposed in this study. Another barrier, the data requirements for fully developing the indicators, may be addressed with time, as functions are more integrated and communications improved. Besides resources needed to develop EB and data requirements, managers are required to act upon the results of the KPI’s, which in Fredrik Stranne’s opinion is essential for successful EB performance measurement.

Common issues that must be addressed mentioned by all respondents were; integration between functions, improved communication, resource and data availability and autonomy of EB managers. These are all essential requirements for the continued development of EB to the point where its performance can be efficiently measured internally.

**Employer Value Proposition (EVP) and Selection Process**

Employer Value Proposition, or EVP, is an important concept used in this research as a representation of the employer brand through the employer branding process. This study assumes, based in theory, that the EVP is a variable that must be identified in every applicant being hired if the goal is to hire the right applicants. The EVP is also the guideline of all stages of the EB process as shown in Figure 5 and 7. The concept has been limited in this study to the core values that an organization holds as explained in the end of section 4.1.2 in this thesis.

Based on the empirical evidence gathered in the previous chapter, the EVP can also be considered an issue to be addressed before fully implementing the solution proposed in this research. Organizations such as Company X, that applies EB only as an external marketing tool, have difficulty acknowledging the practical use of the EVP as proposed in the conceptual model (Figure 5). In Anna Anderson’s opinion, the EVP or core values alone do not attract and retain employees in the organization and neither can be used as a proxy for measuring employee and applicant appropriateness to the firm (EB performance). Measurements, such as the KPI’s proposed, that assume such a theoretical hypothesis to
measure applicant identification with the firm and consequently employer branding performance are considered naïve by Anna. However, professionals at ABB which is at a more developed/later stage (see section 5.5) of employer branding application agree that utilizing the core values of the organization as a limited representation of the EVP and as a proxy for measuring EB performance is acceptable. Joakim Forsberg’s view is more in line with CoreWorkers AB view of the EVP as an important constant of the employer branding process.

Fredrik Stranne at CoreWorkers AB describes the limited definition and role of the EVP in this research as a set of demands and promises made between employer, applicants, employees and target groups at a very early stage. As a person develops brand associations, applies for a position, goes through selection, is accepted, goes through socialization and internal marketing programs and becomes a member of the organization with a specific role and function, the EVP develops into more than just the core values of the organization. However, at the early stage of awareness of the brand and during the time the individual is in the organization, the core values that form the limited version of the EVP in this research are still present. These values are essential in facilitating the process of employer branding since applicant identification and acceptance of the promises and demands of the organization is more likely to occur.

In the context of developing and implementing internal measures of performance such as the KPI’s proposed, core values which are part of the vision and mission of the organization play a fundamental role. That is the case at ABB where its mission emphasizes the importance given to employees and relates to employer branding as pointed out in the company presentation chapter. As explained in section 4.2 of this research, KPI’s as performance measures should be linked to one or more of the organizations critical success factors (CSF’s). CSF’s are the organization’s performance achievements that determine ongoing health, vitality and wellbeing. An organization will be much more successful with their CSF’s and consequently KPI’s if their core values which are part of the EVP are stated in its mission. Such as the case with ABB, the emphasis given to its workforce in its mission supports the effort put into employer branding and consequently into measuring its performance (Parmenter, 2010).

It has been emphasized in theory (Jeanquart Miles & Mangold, 2004; Dyhre & Parment, 2009) and by Fredrik Stranne that employees must be aware, accepting and practitioners of the company’s EVP. That is crucial in order to convey the employer brand message externally either improving customer satisfaction as proposed by the service profit chain theory (Backhaus & Tikoo, 2004), or as Fredrik Stranne and Dyhre & Parment (2009) puts it, to allow employees to be brand ambassadors. Strong employee identification to the firm’s core values and EVP will allow organizations to reallocate resources from the costly selection process to stages of the employer branding process that are considered more essential to EB development, attraction and retention. Fredrik Stranne confirmed that the selection process
and recruitment currently use the most resources of organizations applying employer branding. That is also seen by Company X’s emphasis and trust placed on recruitment agents who are responsible, according to Anna Anderson, to selecting the right applicant without having any evidence regarding the attraction performance of the employer branding process. Despite allocating most resources into attraction, Company X’s reliance on recruiters to ensure appropriate candidate selection may lower the chances that attraction is measured and done correctly. In ABB’s case, strong emphasis is placed in allocating resources to attraction and brand alignment, which promotes the alignment between external and internal perception of the brand. While such approach is more in line with Fredrik Stranne’s opinion of allocating most resources into retention and attraction stages, selection process and the role of the recruitment agent is still crucial for ABB.

Given the current situation in the organizations interviewed and the expert’s opinion highlighting the importance of allocating resources first to retention and second to attraction stage, the solution proposed by this research could increase the efficiency and reach of the EB campaign for organizations. Measuring internal performance in the attraction stage would, as the objective of attraction stage indicators suggest, facilitate the selection process. The selection process would then, as Fredrik Stranne suggests, need less resources which could instead be used to improve attraction and retention performance. Selection process indicators would ensure the process is efficient and based in the firm’s EVP, eventually leading to internalization of applicants who are willing to become brand ambassadors to the organization. That would consequently improve the retention stage performance, which could be measured by the proposed retention indicators. Currently, the brand alignment strategy described by Joakim Forsberg attempts to achieve that without considering the relationships of the EB process model developed and proposed by this research.

Overall, the problem and the context of the solution proposed by this research was received well by all respondents. The employer branding expert, CEO of consultancy firm CoreWorkers AB, received the idea with enthusiasm and considered it the future of employer branding, acknowledging the current limitations for most organizations. ABB’s employer branding manager was equally enthusiastic and despite all barriers, believes the model and solution proposed reflect the level where ABB would like to execute its employer branding. The other respondent, Anna Anderson from Company X confirmed the positive expectations shared about the research and its purpose. However, Anna remains relatively skeptical of the practicality of such an approach towards measuring employer branding based on the model presented in this research.

### 7.2 Applicability of proposed indicators

This section is used to analyze the applicability of the KPI’s proposed using the theory researched and the evidence gathered from respondents in the empirical study (Appendix
This research does not have as its objective to prove, test or run indicators, as they are mainly used as a tool to develop the concept of measurement within the employer branding field. Therefore this section of the analysis is present in its full extent as the Appendix 3 of this thesis. The indicator's main purpose in this research is to show how measurements of employer branding can be done in different stages (attraction, selection and retention). KPI’s in this study measure employer branding from a variety of perspectives based on the conceptual model developed (Figure 7 p. 27), which is perceived in this research as a reasonable framework that provides an open field for further studies.
8. Conclusion

A conclusion based on the results found in the analysis chapter is developed to answer the research question of this study.

The problem, approach and solution proposed by this research were received with great acceptance and enthusiasm by most respondents in this study. Respondents with long experiences in employer branding represented different interest groups within the field, and that provided valuable and distinctive insights into this study. Barriers and limitations regarding the solution proposed in this research were discussed in the empirical study, and the results allowed the research question to be answered. Nevertheless, based in the respondents’ opinion, the content of this thesis can be considered the future path of employer branding since attempts to measure EB performance have been scarce so far.

Despite the different opinions of the organizations part of this study (ABB and Company X) due to their different stages of EB development, the research problem was perceived as currently relevant by at least two of the respondents (ABB and CoreWorkers). Therefore it can be concluded that the attention and approach given to the problem and solution proposed in this research will differ according to the level of involvement, understanding and commitment of organizations towards EB. Furthermore, organizations that are not implementing EB in its entirety (unlike in Figure 5 p. 19), are less likely to achieve the measures of EB performance as proposed in this study. That is the case since the relationship between the different stages of EB must be considered for implementing the KPI’s proposed.

The conceptual models (Figure 5 p. 19 and 7 p. 27) developed by the authors of this study were accepted by all respondents and considered the picture of employer branding process that all organizations should pursue. Despite general acceptance of the models and the solution it represented (Figure 8 p. 35), issues regarding the current levels of internal commitment towards employer branding in organizations were considered barriers for its full functioning. Barriers such as ineffective communication, poor resource availability for EB and lack of managerial autonomy and fitting organizational culture currently affect integration between functions such as marketing and HR in organizations. The poor integration between these two essential functions that support EB, limit the development of the practice and consequently the implementation of internal measures.

Besides the barriers just described, inappropriate resource allocation within the employer branding process is also an issue hindering EB development and measurement. Based in theory and empirical evidence it is concluded that a strong employer brand attracts and promotes loyalty of individuals that deeply connect with it. Therefore resources should be allocated first to retention and secondly to attraction, which is currently not the case since
the selection process currently receives most of the resources. The current lack of performance measurements results in over reliance in the skills of recruitment agents. These professionals are responsible for ensuring the selection of the right applicant and currently do not receive information regarding the performance of different stages of the EB process. That increases the chances that recruiters will be forced to filter through individuals who possess no identification with the employer brand whatsoever. As a result, some of the high costs related to selecting candidates continue to exist unnecessarily and the other stages of EB do not receive the appropriate attention. In order to change this situation it is important that managers acknowledge the relationship between all stages of the EB as explained in this study. Attraction, selection process and retention stages are in combination essential for the overall improvement of EB and the development of performance measures.

The barriers and current organizational limitations discussed in this conclusion stop EB development and consequently efficient internal measurement. That serves as an indication that organizational change is the major challenge towards future success of employer branding. As shown by evidence, the solution proposed by this study may only be applied by organizations in the longer term, after employer branding further evolves as a practice. The results of effectively measuring EB are therefore a long term achievement, as is the growth and increased efficiency of this practice.

However, the research problem is a real one and the method proposed in this study remains valid according to evidence. It is common agreement that a variety of benefits for organizations and for the further studies of employer branding can be if the application of the solution proposed in this study is considered. Ultimately, the goal of increasing the probabilities that the right applicants are attracted, selected and retained in the organization is addressed by the solution proposed. Finally, the models and KPI’s developed possess relevant theoretical and empirical support that can be currently used in organizations and further developed in future research.

The conclusion discussion regarding the applicability if the proposed indicators, is part of Appendix 4 of this thesis as it is not required in this chapter to answer the research question.

Further research
This study has taken a broad approach of the possibilities related to measuring employer branding performance. Within its scope, many specific areas for future research can be found. The number and quality of future research suggestions would greatly differ among readers depending on previous experiences and background in employer branding. Nevertheless, the authors believe the suggestions that follow could greatly benefit the continuation of studies related to internal measurement of EB performance.

The authors propose the further study of the relationship between the three different stages of employer branding (Figure 5 p. 19) as a way to improve the quality, relevancy and accuracy of KPI’s. As it was not attempted to propose definitive KPI’s due to time constraints
and because its appropriateness differs among organizations, further studies into KPI’s in the context of EB process of specific organizations is seen as an interesting area for future research. In addition, further studies to develop the theoretical and empirical supports for more KPI’s in the context of this study would be of the interest of the authors. Eventually, qualitative research assessing the results of executed KPI’s could also be of interest for researchers and organizations alike, even though it is seen by the authors as a long term possibility.

As this study was developed during an undergraduate bachelor final thesis, its limitations did not allow for a thorough gathering of empirical evidence mainly due to time constraints. The respondents for the empirical study provided valuable insight especially because they were part of distinct interest groups within employer branding; EB expert/consultant and EB managers from two organizations at different stages of EB development. Nevertheless, the authors emphasize the importance of the same study to be done with a larger respondent group.

Another suggestion is a result of the differences perceived by the authors in relation to EB development in the two organizations that participated in this research. In the context of this study, organizations at an earlier development stage of EB (i.e. Company X) could provide empirical evidence where the main focus of results could lie on the further development needed within EB to achieve the level where performance measurement could be made. On the other hand, organizations at a higher level of EB development could provide valuable evidence to be used in optimizing indicators as proposed in this research, focusing specifically into EB measurement. Differentiating between organizations at high or low EB development could be done by using a conceptual model in Figure 5 (considered advanced by all respondents) and comparing to the state of EB development in different organizations.
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Appendix 1 – Interview Questions

Interview Questions

Performance Measurement: Employer Branding

The answers to these questions will be used to provide validity to the purpose of this research and the key performance indicators proposed. These questions seek to assess the opinion of respondents based on their practical experience in their organizations.

1. What are the common metrics that have been used in your organization to reflect employer branding success so far?

2. Do you believe current internal measures of employer branding (EB) accurately indicate if the right employees are being hired? If yes, how so? If not, why?

3. Between the stages of attraction, selection and retention of employees, which stage has been considered more important (more resources allocated) by your organization so far in its employer branding campaign? Why?

4. Employer branding aims, among other things, at improving attraction and retention of the right employees. How does that improve and support future selection processes in your opinion?

5. Would you consider the implementation of indicators similar to the ones proposed in this research (pp. 27 – 34) to be a task achievable in the short (2 years) or long (5-10 years) term?

6. The indicators proposed may require information that is not readily available to many firms. To keep developing employer branding to the point where measurements such as the ones proposed in this research can be executed, the commitment and integration between different functions in my organization must continue to increase. Would you agree with this statement?

7. This research considers the success of the selection process to be dependent on the performance of the attraction stage and a determinant of retention stage performance. Therefore the proposed indicators possess clear objectives, and measure internal performance from different perspectives in each stage. Assuming the indicators show a positive result, would you consider it an indication of the higher probability that right applicants are being attracted, selected and retained in the organization?
8. Do you think such an approach towards the measurement of employer branding success is: Practical? Realistic? A small step in the right direction?

9. Is the conceptual framework proposed by this research (p. 19) a simple but realistic representation of employer branding process in your organization? Would you consider customizing some of the indicators proposed in the context of this conceptual framework to be utilized in your organization?

**Applicability of Proposed Indicators**

*These questions will be used to provide empirical support to some of the indicators proposed based on professional’s practical experiences. Answers will help assess whether executing some of these indicators is possible in practice and which indicators are more likely to be chosen as relevant by professionals.*

**Attraction Indicators:**

**Applicant Professional Background** – Is tracking the company of origin of new hires a practical task? Do you believe a database containing such information could be a relevant source of EB attraction performance?

**Selection process costs** – Can the costs involved with selection process be broken down to represent the firm’s ability to attract the right applicant? E.g. trend in costs related to amount of time spent with applicants that did not advance early stages of the selection process.

**Appropriation of brand values/Know where you go** – Tracking the channels of communication new hires used to gather information about the firm and available positions can be used as an indication of the of their interest and commitment in the firms an employer. Do you agree that this is practical and relevant in practice? Are questions such as the following, towards new hires, considered relevant and worthy of monitoring: Was there sufficient information regarding the vacant position as well as about ABB as an employer?

**Selection Process Indicators:**

**EVP Deviation** – (Recruitment Agent) Is taking decisions based on gut feeling and intuition considered part of your job? How often does that occur? Does sticking to the firm’s core values during the whole selection process stop you from hiring recruits you may think are suitable but don’t possess the values of the organization? How are you prepared to deal with possible competing agenda’s in the organization, for instance a department that must find a worker as soon as possible and the organization that wishes to internalize only the right values and expectations?

**Recruitment Recall** – Is it currently relevant to track the number of times a selection process had to be recalled due to insufficient talent pool (while isolating) all other reasons for the recall? Given your experience, would you be able to assess whether the size of the talent
pool (number of right candidates after first selection) has increased or decreased over time (Recruitment Agent)?

**Late Dropouts** – Is there data tracking cases of late dropouts during the selection process? Is it often that candidate’s drop out of the selection process at advanced stages? What is a commonly stated reason for that happening?

**Retention Indicators:**

**Boomerang Recruitment** – Do you know of metrics that identify employees that entered the organization for the second time and track the average length they have stayed in the organization since then? Can that be compared to the data gathered on length of stay of those employees who entered the organization only once?

**Employee Flow** – Are the talent management program or personal development assessment program you are familiar with, based on the organizations core values or does it emphasize function and technical job qualifications when assessing quality of current staff? What are the basic criteria used to assess whether the appropriate level of talent is currently retained or achieved?

**Leaver Destiny** – Has your organization been tracking the subsequent jobs and firms where former employees have gone to straight after leaving?

**Alumni** – Does your organization provide an alumni network for former employees? What are the reasons that stop management from doing it/made management do it? Is there data tracking hired employees who were indicated to the position by a former employee of the organization (alumni)? What about data tracking these individual’s average length of stay in the organization?

**Psychological Self Contract** – Does your organization maintain a record of the conditions/promises made to each employee hired or are contracts mainly standardized (not considering higher management positions etc.)? Would it be possible for an employee after a few months of being hired, to objectively point out what were the conditions/promises that made him/her accept that job? Can your organization confirm if that those promises were really made?

**Applicability**

In your opinion, are the indicators proposed relying on:

- Mostly on data that already exists and interpreting it in an unusual manner to fulfill its purposes?
- Mostly on information that does not exist and therefore will require a big effort to be gathered?
- A mix of both which means some indicators are more likely to be put into practice than others?
Appendix 2

Empirical Study: Applicability of the proposed indicators

Scope of KPI’s proposed in this study
The scope of the study does not include proving, testing or running indicators, as they are only used in this research as a proposed tool to develop the concept of measurement within the employer branding field. Indicators presented in this section have been scrutinized by professionals within the field of employer branding. Some of the indicators lack theoretical support while others are heavily supported by theory from different fields of study. The most interesting indicators developed by the authors were included in this section while others were left out given the need to prioritize as well as due to time constraints stopping the pursuit of further research. In order to use the indicators proposed in this research organizations will, to a wide extent, have to make small or large changes to collect data required, execute the needed measures and act upon its result. A theoretical discussion of a suitable approach for such task is presented at the Key Performance Indicators chapter.

The indicators that follow will also be briefly discussed in the analysis chapter section in Appendix 3. In this section of the empirical study chapter, KPI’s are presented due to its importance in this study but with the focus of the discussion emphasizing its barriers and enablers regarding applicability based on the respondents’ experiences. The presentation of the indicators and of the findings of this study will hopefully promote further research into the field of measuring EB performance. The construction and implementation (through different means such as surveys and data gathering/mining) of proposed or similar indicators is expected to be further pursued so that internal measures of internal EB performance may be eventually be developed for most organizations applying employer branding.

Respondents
Joakim Forsberg from ABB Sweden and Fredrik Stranne of CoreWorkers AB were asked questions regarding the applicability and relevance of the indicators proposed in this research. The two respondents were chosen based on their experience and extensive background within the field of employer branding. A new respondent from ABB, secured with the help of Joakim Forsberg, was added to this section of the empirical study given her extensive background in HR and as a recruitment consultant. Ulrika Ekengren-Allen is the Regional Talent Acquisition Manager for ABB in Northern Europe since September 2011. Before that role Ulrika worked as Functional Competency Manager for 3 years. The respondent’s career with ABB started in August 2007 with her first role being a recruitment consultant. Ulrika’s human resource background and work experience stretches back to 1997 working in different roles within the HR function.

Joakim Forsberg and Fredrik Stranne, two of the main respondents of this empirical study, had strong views about the importance of the KPI’s proposed. When asked about the availability of the data needed for the proposed indicators Joakim Forsberg commented that
a lot of the data needed is within reach but most of the information would require effort to be gathered. Fredrik Stranne from CoreWorkers AB agreed that indicators such as the ones proposed or similar would be beneficial to evaluate EB success. He pointed out that the opportunity costs of retention, the cost incurred by the organization that does not retain its employees successfully can be very high when compared to the salary paid to employees; such cost is approximately 30-50% of the yearly salary of a graduate, 150% of the yearly salary of a worker on a middle level and 400% of a yearly salary of a specialist, top level manager or skilled salesperson. Improving and keeping track of retention performance is then one of the most important aspects when it came to working with employer branding according to Fredrik.

The respondents were asked questions regarding applicability of each of the indicators proposed in this research, where answers were given for each of the indicators below. A brief explanation for each of the indicators is given. However, for most of the indicators a more detailed explanation can be found in the theoretical framework of this thesis.

1. Attraction Indicators

Attraction indicators should reflect the efficiency of the attraction stage of employer branding. The objective to facilitate the selection process, as the appropriate applicants are attracted to the firm as theory suggests.

**Appropriation of Brand Values**

With this attraction indicator an organization will be able to track if employees are attracted by their employer brand or product and corporate brands. Potential employees might suffer from a lack of information when it comes to understanding the employer, which might mean that their expectations of employment might be skewed and based more on the product brands and corporate brand than on the employer brand.

As a measure of attractiveness this indicators reflects the firm’s ability to attract the employee candidate for what it offers as an employer. Internal new hires surveys may indicate the origin of the applicant interest in the organization, and imply the possibility that recruits entering the organization are aware of the brand as an employer, with all that comes with it. This measure of attraction reflects the accuracy of this stage and its success may improve the selection process’ and retention performance.

The respondents agreed with the purpose and considered the application of this indicator reasonably simple. Joakim Forsberg from ABB agreed that tracking the channels of communication new hires used to gather information about the firm and available positions can be used as an indication of their interest and commitment to the firm as an employer. On the same note, Fredrik Stranne shared his experience from a previous employer, where people had misconceptions about the work atmosphere due to external messages of the
product brand. Thus the image perceived about the organization as an employer was totally wrong and based on the product brand values instead of the employer brand.

**Applicant Professional Background**
This indicator would track the applicant’s previous employers in order to evaluate if employees leave other strong employers with powerful employer brands for the current organization. That would imply quality of the EB brand and would require careful analysis of the reasons why employees have made the choice to change. Careful surveying of new hires and detailed collection of data from previous employment of current employees could provide the information needed.

Respondents believe that this indicator could provide a useful insight from a unique perspective within the attraction stage. Joakim agreed that tracking the company of origin of new hires would be a practical task and adding such information to current databases would be beneficial. Fredrik Stranne quickly commented that the indicator was very judgmental. Primarily since this does not prove in any way that the employees are any better based on previous organizational background. Furthermore he believed that employees would have reasons to not be completely honest about their reason to change jobs.

**Selection Process Costs**
Analyzing the costs related to certain stages in the selection process may give some indications of the EB ability to attract right talent. Finding out the relevant and specific stages to be measures in the selection process would be crucial as a first step. If costs are very high for some parts of the process it may indicate a failure in the attraction stage and actions may be taken by the organization’s EB manager to improve the process.

This indicator requires the costs involved with the selection process to be broken down to represent the firm’s ability to attract the right applicant according to Joakim. Respondents agree that such indicator can prove useful if the appropriate stages of the selection process are identified and measured. The respondent Fredrik Stranne commented that firms want a lot of applicants at times to allow the selection of the best qualified ones. However, he agreed that having fewer right applicants is better than having many applicants to filter through to find just as many right applicants. As an example, Fredrik confirmed that 10 right applicants out of 10 applicants is better than 10 right applicants out of 100 applicants.

Furthermore an example of a Swedish funeral home, Fonus was presented. CoreWorkers developed an interactive test on the firm’s website for potential employees to test if they held matching values and could be a fit with the organization. This was used as a tool to reduce the amount of wrong applicants for Fonus which would drastically reduce costs. Therefore identifying the appropriate selection costs that directly relate to attraction of applicants could be an interesting perspective in measuring attraction performance.
**Know where you go**

This indicator aims at assessing whether enough information is provided by the employer and the brand to allow applicants to feel secure about future roles and when applying to a position on the firm. Communicating core values, strategy, culture, to the public while providing clear information about jobs listed and employee roles may attract fewer but better employees. Such employees will have a greater understanding of the jobs they have applied for and feel more secure and committed for the position therefore facilitating the selection process. The indicator could be measured by surveying new hires (Backhaus & Tikoo, 2004).

Joakim Forsberg agreed that assessing whether sufficient information regarding the vacant position as well as about ABB as an employer would provide valuable information coming from new hires. He commented that such information would be an important measure in order to assess how well the organization communicates. In Fredrik Stranne’s opinion, the value of honesty becomes an issue in this indicator of EB performance. He would have liked to survey new employees about their perception of what was promised, the firm’s image in the applicants’ mind, the firm’s goals, mission and demands towards employees. This would be done after the selection process to see how honest the organization was in the selection process steps, similarly to what is proposed by the retention indicator called Psychological self contract. Conducting surveys like this would be a crucial information source for the attraction stage leading to the selection process. But it also helps evaluate if the organization is honest and how they should improve their communication and communicated EVP.

2. **Selection indicators**

Selection indicators should reflect results that help managers ensure selection is done efficiently and by sticking to the firm’s EVP (Dyhre & Parment, 2009), therefore minimizing emotional and discretionary input from the process as much as possible.

**EVP Deviation**

Surveying for deviations from the EVP throughout the selection process might indicate that a conflict of interest has occurred with the EVP in the organization. Given the limitations of the EVP in this research, such conflicts would occur if recruitment agents are required to hire individuals who do not identify or carry the firm’s core values. This deviation from the EVP may occur when hiring for different functions and/or across subsidiaries, which would result in problems when developing a unique brand identity worldwide or companywide. Internalization of consistent core values is required for a strong employer brand to be developed; therefore it is important that new hires carry the firms EVP or core values into the organization. The most serious implications of such deviation would be the frequent internalization of wrong employees/expectations which would affect the whole EB process negatively.
A survey directed to recruiters in the organization would assess the frequency which they had to make decisions based on opinions/feelings during selection process, and deviate from criteria outlined in the agency AD for the job. The job AD usually carries the information regarding the EB brand and the values of the EVP, and is one of the first moments where the psychological contract is built.

Ulrika Ekengren-Allen, the Regional Talent Acquisition Manager for ABB in Northern Europe, provided some insight into the applicability of this indicator. According to her, selection process decisions based on intuition and gut feeling are not part of her job. As opposed to what has been discussed by Dyhre & Parment (2009), such input is not part of the selection process. Ulrika emphasizes that an important part of the recruiter’s job is to stick to the firm’s core values during the whole selection process to avoid hiring recruits who are suitable for positions but do not possess the values of the organization. Despite being a hard task as pointed out by other respondents in this empirical study, professionals in the field of recruiting are relied upon to ensure applicants that are internalized carry the values of the organization into the firm. However, as discussed with Joakim Forsberg in previous occasions, measuring the times when this is not the case or the barriers found by recruitment agents when attempting to execute their job properly, could be of value to organizations attempting to measure EB.

**Late Dropouts**

The Late Dropouts indicator assesses the quality and efficiency of the selection process by measuring the frequency that job offers are declined by applicants who are taken to the late stages of the selection process. Given that the costs of selecting applicants increase as they are taken further into the process, a high number of applicants who give up at this later stage may indicate a flaw within the selection process. The right applicant must be secured by the recruitment agent the same way sale must be secured by sales professionals. Not doing so can be costly and decrease the chances the right applicants and expectations are internalized.

The indicator could reflect the results of surveys run through recruitment agents and of data collected every time an applicant leaves the recruitment process or declines a job offer. According to Ulrika Ekengren-Allen, tracking data regarding the cases of late dropouts is not currently available in most organizations. Her experience is that some recruitment consultants try to keep the data but no consistent effort has been successful. According to Ulrika, late dropouts do not occur often but they do occur, which can be a very costly problem according to Fredrik Stranne. Furthermore, ABB’s Regional Talent Acquisition Manager in Northern Europe says that the common reasons for late dropouts are too long selection process and salary levels. As candidates usually possess different job opportunities simultaneously, these two reasons may force the candidate to try other opportunities.
3. Retention indicators

Retention indicators should provide evidence of the quality of employees and the success of the previous two stages, reflecting the benefits to the firm as outlined in the theory of employer branding.

**Post-Employment Dissonance**

This retention indicator should reflect whether applicants have doubts or insecurities about their choice of being employed by the organization, before and after the candidate joins the firm. The term dissonance has been used generally in product marketing. It refers to psychological discomfort or anxiety following a temporary situation such as a purchase (Nadeem, 2007).

Fredrik Stranne agreed that this can be an issue for new employees, but in many levels, both regarding the role specification and the EVP communicated from the company. He gave an example of a future project where a career site would be created by CoreWorkers for a company. This site would allow applicants to gather clear information about different roles within the organization. Through this website the organization would be able to communicate different EVP’s for different roles and functions within the organization. By doing so, the organization helps applicants to be sure about their decision to join the firm, which is similar to what is done in product marketing when trying to diminish buyer dissonance in the decision of buying a product. Such indicators in Joakim and Fredrik’s opinion would provide valuable information regarding the firm’s ability to secure and retain candidates and its competency in making as well as delivering promises.

**Boomerang Recruitment**

Boomerang recruitment is a term used when an employee leaves the organization and then comes back seeking employment again. Gathering metrics of this phenomenon might provide an organization with valuable information. Tracking the average amount of time boomerang employees stay in the organization compared to the average time of first time employees could provide indication of retention quality. As discussed with Fredrik Stranne, that is the case because employees returning are aware of the employer and its brand, and if their return is based in employer quality, it indicates positive retention performance. A high number of boomerang employees could also indicate good performance of retention stage and of EB in general.

Such metrics are not currently tracked in most organizations according to Joakim Forsberg, and he sees the application of such indicator as a valuable measure of retention performance. The respondent Fredrik Stranne agrees that this could be an interesting indicator to keep track and act upon based on its fluctuations. Moreover, Fredrik adds that in order to increase efficiency of such indicator, it is necessary that the reasons why candidates leave and return to the organization are made clear and used as conditions for execution.
**Leaver Destiny**

If a leaver moves on to a successful, desired organization on the field, other employees may be encouraged that they can also leave to achieve the same success. Tracking this might provide indications that the firm must work with its EB to retain employees based in value identification even if better opportunities are available elsewhere. The data for this indicator could be gathered by successful exit talks with leaving employees and internal surveys assessing the interest of current employees in pursuing career opportunities elsewhere. Identifying common companies where employees leave to or wish to go to and compare employer branding efforts could also provide valuable information when applying this indicator.

ABB does not systematically track the subsequent jobs and firms where former employees have gone to straight after leaving, according to Joakim Forsberg.

**Alumni**

Alumni are former employees who left the organization and maintain some type of relationships with the former employer. Possible benefits of such practice could provide valuable information for the organization. Alumni networks may provide an easily accessible talent pool where the organization may recruit talent from or use to gain access to talent through reliable and cost free indication. Applicants and employees that joined the organization through alumni indication or network are more likely to remain in the firm and adhere to its values.

ABB does provide an Alumni network to keep the relationship with their former employees according to Joakim. However, it is not known through reliable data if there had been any employees who were hired through alumni indication. It is, however, an interesting perspective into retention quality and performance according to Joakim. Fredrik Stranne added that this could be a valid indicator due to the fact that alumni’s could become “boomerangers”.


Appendix 3

Analysis: Applicability of the proposed indicators

The implementation of the proposed indicators by organizations would vary depending on the organization willing to attempt EB measurement. As the evidence gathered in this study shows, a well developed employer branding process is one of the requirements to apply the KPI’s. Every organization is unique and has different structure, culture and design, implying that the implementation has to be tailored around those elements. Nevertheless, as Parmenter’s (2010) theory suggest, performance measurement is essential for good management in any type of organization. That was confirmed by all respondents as they all agreed that measuring the EB process is essential to develop the process, increase probability that the right applicants are retained by organizations and solve the problem found by this research.

The indicators proposed are expected to be implemented in line with the theory presented in the Key Performance Indicator section of the Theoretical Framework chapter of this study. An attempt was made in the KPI’s developed in this research to consider methods such as the S.M.A.R.T system as well as most of the conditions outlined by Parmenter (2010). Implementation and execution of KPI’s, therefore, should follow guidelines similar to the ones presented in section 4.2 of this study. A number of KPI’s were not edited out of this study mainly due to time constraints, but the idea is that each stage of employer branding process has its performance tracked by a high number of relevant and achievable KPI’s. More KPI’s can be found in the additional material provided by the authors on request.

Attraction Indicators

KPI’s measuring attraction stage performance attempts to show how successful the organization and its employer brand are at attracting the right applicants. Its objective in the context of the conceptual framework model (Figure 5 p. 19) is to facilitate the selection process to ensure appropriate applicants and expectations are internalized by the organization. The respondents of this research confirmed as much of the EB theory discusses (Backhaus & Tikoo, 2004; Dyhre & Parment, 2009), that an organization is better off with fewer applicants that are right than a large group of applicants, since it would reduce costs in the selection stage. The Selection Process costs indicator received considerable empirical support from professionals in the field as it proposes a familiar approach towards identifying relevant costs, helping enhance the selection process and providing a view into attraction performance. Empirical support was also given to the approach to execution required in most indicators; surveying new hires and potential applicants being the main source of information to measure attraction stage performance. Indicators such as Appropriation of Brand Values and Know Where You Go, which possess very logical theoretical support were seen by respondents as reasonably easy to apply and very beneficial for the measurement of EB. In the context of the conceptual model of employer branding process proposed in this
study (Figure 5), respondents believe that attraction indicators are an essential tool if an organization seeks employer branding success and value.

**Selection Process Indicators**
The proposed selection process indicators are used in this research to measure performance of the most critical stage of the EB process, when expectations are internalized (Dyhre & Parment, 2009). Data requirements would be gathered mainly through internal surveys directed to recruiters in order to improve the selection process and better identify problems related to this stage. As this research discusses in its conceptual model and as suggested by employer branding consultant and CEO of CoreWorkers AB, Fredrik Stranne, the performance in this stage is dependent on the performance of the attraction stage; hence the importance of measuring performance. Improvements in attraction and selection stage would lead to large cost cuts according to Fredrik Stranne. Evidence suggests that KPI’s measuring performance of the attraction stage would help create such cost cuts primarily as appropriate talent can remain in the organization’s talent pools.

Indicators such as Recruitment Recall and Late Dropouts were given considerable empirical support by ABB, as they were considered strong indication of selection stage success and easily measurable by any organization. Furthermore, indicators such as EVP Deviation may be of value in order to oversee the selection process and make sure it is done in line with the employer branding process and EVP. The Late Dropouts indicator requires measurable data that has not been consistently gathered so far, according to the respondents. Some reasons for late dropouts are known, and the respondents confirm that it is a costly problem. Tracking this will be of value since it may allow an organization to understand how often it occurs and why it occurs, allowing management to assess the quality of recruiters, EVP promise delivery, among other things. Therefore it is agreed that selection process indicators can bring value to the organization. Besides allowing for better management, performance measurement may facilitate the possibility that the resources that are now mostly directed to selection can be directed to retention and attraction, which are more relevant stages for EB success in the respondents’ opinions.

**Retention Indicators**
Retention indicators should ensure the appropriate applicants and expectations have been internalized by the firm, which implies the success of the previous two stages of the EB process. According to Fredrik Stranne, this stage is the most important stage for any organization. This is mainly due to the costs involved with recruitment, training and socialization of new employees; losing employees means high expenditure. The indicators proposed would provide an organization with valuable information regarding their employees with a relatively simple effort, according to both Joakim and Fredrik. It was of prime concern to the respondents that surveys and data gathering used to execute such indicators were to be done with extreme care and attention to detail as to ensure relevant and realistic data.
According to respondents, indicators such as Boomerang Recruitment and Leaver Destiny would provide insights into why employees leave the organization resulting in valuable information to act upon. Post-Employment Dissonance indicator on the other hand would allow an organization to observe how well they communicate their EVP as well as spot applicants and current employees who do not identify with the employer brand. The result of retention indicators in the context of the conceptual model of this research could, in Fredrik opinion, help the organization to clarify its EVP internally. As a result employees become qualified to behave as brand ambassadors, with the organization benefiting from the full potential of brand awareness and exposure through word of mouth in the powerful social networks.
Appendix 4

Conclusion: Applicability of the proposed indicators

In the context of the conceptual model of employer branding process proposed in this study (Figure 5 p. 19), respondents believe that attraction indicators are an essential tool if an organization seeks employer branding success and added value. Selection indicators allow for better management and increased efficiency of a costly process. However, it is concluded that overall EB performance measurement may facilitate the possibility that the resources that are now mostly directed to selection can be directed to retention and attraction, resulting in EB optimization. Finally, results of retention indicators in the context of the conceptual model of this research support a firm’s understanding of its EVP which in turn allow employees to behave as brand ambassadors.

The results clearly reflect the many benefits to be found by applying performance measurement to employer branding. However, respondents are clear to point out that it will take at least 5 to 10 years before performance measurement, as the authors of this study propose, can be implemented to evaluate and improve the EB process. Furthermore, all respondents stressed that, in practice, the most important aspect when utilizing these indicators is how you retrieve the information needed to create measurements. Carefully constructed surveys and new ways of gathering data are considered essential for KPI implementation. Moreover, respect for KPI building rules and objectives such as described in the Key Performance Indicators section of this research is of prime importance to construct successful measures of EB performance.