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## EMPLOYER BRAND'S EFFECT ON ORGANIZATIONAL COMMITMENT

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### Abstract

Employer brand is described as the ideal workplace from an employee's perspective. Organizational commitment is an emotional attachment that an employee has to their organization. These two variables are widely studied together in literature due to their related nature. Data was collected through surveys. Participants were presented with a demographic form, the employer brand scale, and the organizational commitment scale. The participants were recruited from three different organizations in Istanbul, Bayrampasa, and a total of 63 employees took part in the study. The obtained data was analyzed using Pearson's correlation, independent samples t-test, one-way ANOVA, Kruskal-Wallis-H, linear regression, and moderation analysis run by SPSS. According to the results, the employer brand and organizational commitment levels of the participants were not affected by their demographic characteristics. There is a statistically significant relationship between organizational commitment and employer brand, and it was found that the employer brand has a positive effect on organizational commitment. The results are discussed in the context of related literature, and suggestions are presented.

**Keywords:** *Employer Branding, Organizational Commitment, Education Level*

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## 1. INTRODUCTION

There are several definitions of the term "employer brand"; therefore, it needs to be clarified. "Employer brand" and "employment brand" are phrases that can be used interchangeably, and they refer to the same thing in Knox and Freeman's perspective (Knox and Freeman, 2006). "Employer branding" and "employment branding" are also used as alternative names. The practice of implanting a company's image or the concept of "an ideal workplace" in the minds of the target applicant pool is referred to as the employer brand. The employer brand is a long-term strategy aimed at managing and strengthening the awareness and perceptions of current and potential employees and stakeholders about the organization (Backhouse and Tikko, 2004). It can also be explained as a strategy, operation, or activity to retain current employees, increase the attractiveness of the organization to potential employees, and convince both that the organization is the best and the most ideal place to work (Ötken and Okan, 2015).

According to Sullivan (2000), employment branding is about creating an impression that motivates individuals to work for a well-managed company where they can learn and grow. Martin (2008) stresses the use of an organization's corporate image to attract exceptional workers. However, he also places significant emphasis on matching skills with an organization's brand and mission and achieving the desired results. It is essential to note that communication plays a critical role in developing an employer brand and shaping its image. This point is particularly emphasized by Jenner and Taylor (2008), who describe employer branding as an organization's efforts to communicate to both internal and external audiences what makes the company a unique and desirable employer. Lloyd, who shares a similar perspective as the author of this research, defines employer branding as "the sum of all the organization's efforts aimed at signaling to current and prospective employees that the organization is a desirable work environment" (Moroko and Uncles, 2008).

Different researchers have provided varying definitions of organizational commitment. However, the most widely recognized definition of organizational commitment is that it is "a psychological bond between the employee and the organization that reduces the likelihood of the employee voluntarily leaving the organization" (Allen and Meyer, 1996).

Organizational commitment has long been an area of interest for researchers. The most important reason for this is that every organization needs the commitment of its employees to

achieve organizational success. It has been argued that employees with high organizational commitment demonstrate extra effort in achieving their tasks and contributing to organizational success. In addition, they tend to stay in the organization for longer periods and establish more positive relationships. On the other hand, employees with low commitment are unable to fully engage with their tasks and are more likely to quit (İnce and Gül, 2005).

According to Meyer et al. (2002), there are three components of organizational commitment. The first component is affective commitment, which refers to the employee's emotional attachment to the organization, identification with the organization, and a sense of belonging. The second component is continuance commitment, which reflects the employee's perception of the costs and benefits of staying or quitting. This component is more based on the employee's need to remain with the organization. The last component is normative commitment, which is related to the employee's sense of obligation to the organization. It reflects the belief that the employee has a moral or ethical duty to stay with the organization. (Meyer and Allen, 1991).

Organizational commitment and employer brand have been studied together for a long time. Studies show that there is a positive relationship between organizational commitment and employer brand (Schlager et al., 2011; Nayır and Afacan Fındıklı, 2018; Efe et al., 2020). This means that as organizational commitment increases, employees' positive perception of the employer brand also increases. As discussed by Kashyap and Verma (2018), the employer brand is strongly related to the social values of employees and organizational commitment. The "first human/employee" approach of an organization affects employees' commitment to the organization (Greguras and Diefendorff, 2009). The literature also shows that the employer brand has a positive effect on organizational commitment. Thus, the employer brand increases employees' positive perspective of the organization, and as a result, organizational commitment increases (Kutluata Aksu et al., 2020). The same results were found in another group of employees, namely those in an airline company (Durmaz et al., 2021).

In today's competitive environment, businesses must be highly selective and attentive to the human element to ensure continuity and success. The most critical factor for achieving success is the workforce, which must be loyal to the organization to provide customer satisfaction. The impression that customers receive from employee interactions shapes the brand image of the organization. This study aims to demonstrate the significant impact of

employer brand on organizational commitment. Additionally, as previously discussed, the human factor is crucial to business success. Therefore, this study seeks to gain a better understanding of group differences among participants based on demographic characteristics regarding organizational commitment and employer brand. It is hypothesized that employer brand has a positive effect on the organization.

## **2. METHODS**

### **2.1. Sample**

The sample was selected from three different organizations located in Istanbul, Bayrampaşa. Of the participants, 69.8% were male, the mean age was 33.77 (SD=10.91), 73% were married, and more than half had graduated from primary education (57.1%). A total of 63 participants filled out the questionnaires.

### **2.2. Measurements**

Demographic form was created by researcher. The form were constructed to assess demographic characteristics such as age, gender, marital status, and education level and the time of employees' working in the organization.

To measure organizational commitment level of participants Organizational Commitment Scale was used. This scale was developed by Meyer, Allen and Smith (1993); then Wasti (2000) has tested its validity and reliability in Turkish sample. The scale has 25 questions and 3 subgroups. It is asked with 7-point Likert type. These subgroups are affective, normative and continuance commitment.

Employer brand was measured by employer brand scale which is developed by Kuzu (2019) by using 3 different scales. It has developed to measure employees' perception of employer brand. It has found valid and reliable.

### **2.3. Statistical Analysis**

SPSS 24.0 program was used to undertake the statistical analyses. The distribution of the scales was examined on the basis of the kurtosis and skewness values. Pearson Product Moment Correlation coefficients were computed to examine the relationship of the scores on the scales. Kruskal Wallis H, One Way ANOVA and Between Subjects T tests were used to analyze group differences. To understand the effect of employer brand on organizational commitment Linear Regression analysis was run. At the end, Andrew Hayes's (2013) Process v4.0 Model 1 was

used to assess the moderation effects of education level on the relationship between employment brand and organizational commitment. Significance was evaluated at  $p < 0.05$  levels.

### 3. RESULTS

#### 3.1. Demographic Information of Participants

The demographic characteristics of the participants are presented in Table 1. 30.2% (N=19) of the participants were women and the rest (N=44) were men. The ages of the participants ranged between 18-56 and the average age was 33.7 (SD=10.91). Almost 3 out of every 4 participants are married (N=46). While more than half of the participants graduated from primary education (N=36), 28.6% (N=18) graduated from high school, 7.9% (N=5) from associate degree and 6.3% (N=4) from bachelor's degree. Finally, participants have been working at the organization for an average of 9.22 years (SS= 9.02). A total of 63 employees participated in the study.

**Table 1.** Demographic Characteristics of the Participants

<b>Variables</b>	<b>N</b>	<b>%</b>
<b>Sex</b>		
Female	19	30.2
Male	44	69.8
<b>Age</b>	M=33.77 (SD= 10.91)	
<b>Marital Status</b>		
Married	46	73
Single	17	27
<b>Education Status</b>		
Primary Education	36	57.1
Highschool	18	28.6
Associate Degree	5	7.9
Bachelor's Degree	4	6.3
<b>Years of Working in the Organization</b>	M=9.22 (SD=9.02)	

#### 3.2. The Relationship Between Employer Brand and Organizational Commitment

The Pearson Correlation coefficient was used to determine the relationship between employer brand and organizational commitment. According to the results, there is a significant positive relationship between employer brand and organizational commitment ( $r = .662$ ,  $p < .001$ ). Thus, as the level of perception of the employer brand increases positively, their commitment to the organization increases in the same direction (Table 3).

**Table 2.** The Relationship Between Employer Brand and Organizational Commitment

(N = 63)

Variable	1	2
(1) Employer Brand	-	.662**
(2) Organizational Commitment	.662**	-

\*\*p<.001

### 3.3. Results of Linear Regression Analysis of Variables That Affect Organizational Commitment

As a result of the preliminary analyses, variables that found to be related with organizational commitment were added to the model. First of all, the assumptions of Linear Regression Analysis were checked. All assumptions were met. After that, the level of employer branding was added to the model as an independent variable. The results of the analysis are given in Table 4. Employer brand explains 43.8% of the variance in employer brand ( $R^2 = .438$ ,  $p < .001$ ;  $F [1, 61] = 47.541$ ,  $p < .001$ ). As a result of linear regression analysis, employer brand ( $\beta = .662$ ,  $p < .001$ ) significantly predicts the variance in organizational commitment.

**Table 3.** Linear Regression Analysis for Employer Brand's Effect on Organizational Commitment

Variable	Model		
	<i>B</i>	Std. Error	$\beta$
Employer Brand	0.096	0.014	<b>0.662**</b>
<b>R<sup>2</sup></b>	<b>0.438</b>		
<b>F</b>	<b>47.541**</b>		

*Not.* *B* = unstandardized coefficient of the effect,  $\beta$  = standardized coefficient of the effect, Std. Error = standart error. \*\* $p \leq 0.001$ .

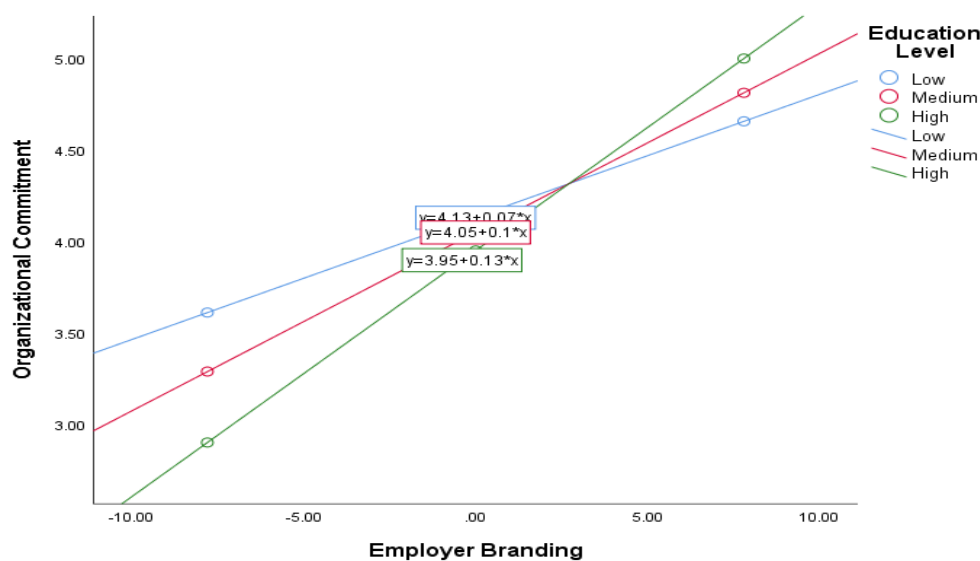
### 3.4. Moderation Effect of Education Level

Andrew Hayes's (2013) Process v4.0 Model 1 was used to assess the moderation effects of education level on the relationship between employment brand and organizational commitment. In the analysis, -1 standard deviation and below is taken as "low", between -1 and +1 standard deviation is taken as "medium" and +1 standard deviation and above is taken as "high" group for moderation variables in graphs.

Results showed that, the relationship between employer brand and organizational commitment is stronger when education level is higher.

**Table 4.** Moderation Effect of Education Level on the Relationship Between Employer Brand and Organizational Commitment

Variables	b	Std. Error	t	p
Constant	4.05	0.104	38.898	<.001
Employer Brand	0.098	0.014	7.253	<.001
Education Level	-0.097	0.103	-0.942	0.3499
Interaction	0.036	0.013	2.755	0.0078



#### 4. DISCUSSION

Employer branding and organizational commitment has been studied together very frequently in literature. As results of the study shows organizational commitment and employer branding has a positive correlation. It means that as organizational commitment increases, employer branding also increases in the same direction. The same results has been found in literature. Kutluaka Aksu and others' study showed that there is a strong positive relationship between organizational commitment and employer branding ( $r=.77$ ,  $p<.05$ ). Another study showed that this positive relationship is seen in all 3 subscales of organizational commitment (Durmaz et al., 2021). In addition to studies that is mentioned, studies that is conducted in other countries than Turkey and different sectors show the same positive relationship (Rana, et al., 2019; Akuratiya, 2017). Employer branding is essential to make or show the organization more attractive and it is not surprising that people commit more attractive organizations and find

more attractive the organizations that they are committed positively.

Linear regression analysis showed how employer branding affects the variance in organizational commitment. Employer brand has a significant positive effect on organizational commitment. Results can be interpreted to mean that, to achieve strong organizational commitment, organizations should develop a positive and strong employer branding. They should show interest not only in financial matters but also in creating an environment that supports employees' commitment. To achieve this, they need to focus again on employer branding. These results are supported by other studies in the literature. A study conducted with 453 flight attendants showed that employer branding has a positive significant effect on all components of organizational commitment (Durmaz et al., 2021). The results are not sector-specific. For instance, another study conducted with textile sector employees showed that employer branding significantly and positively predicts organizational commitment (Kesoğlu and Bayraktar, 2017). Another study from the medical sector shows that employer branding not only positively affects organizational commitment, but it also increases the profit of the company (Bayrak, 2016).

The results show that the relationship between organizational commitment and employer brand becomes even stronger as the education level increases. This suggests that employees with a higher level of education are more likely to commit to the organization when they have a more positive perception of the employer brand. However, this relationship is weaker in the low-educated group. We can interpret these results by suggesting that highly educated employees are more likely to consider the organization's employer brand because they have more job options. On the other hand, lower-educated employees have to be more committed to the organization, even if they do not have a positive attitude towards the employer brand, because they have fewer job opportunities. In the literature search, we could not find any similar or different results on the moderation effect of education level on employer brand and organizational commitment. Therefore, the literature needs more research to interpret these results by comparing them to others.

Thus, employer branding has several benefits for organizations. Building a positive employer branding attitude positively affects organizational commitment, which is related to positive outcomes for every company. Furthermore, it is essential for organizations to consider human-related factors rather than only economic factors.



Nevertheless, the present study has some limitations. The first limitation is that the study used a convenience sampling method. Additionally, data was collected from only 63 participants from three organizations. Therefore, these limitations taken together suggest that the findings should be discussed with caution.

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