

# Employer Image & Employer Brand: Interaction of Both Terms

Annija Vecuma-Veco

*Mg. admin., University of Latvia, Faculty of Business, Management and Economics, Aspazijas bulv.5, Rīga, Latvia, bvefinfo@lu.lv*

**Abstract.** Currently, when the demand for employees is higher than supply, there is a question of possible solutions. One of the opportunities for companies is to ensure that they will be chosen when their potential employees consider making career changes. This is where the terms “employer image” and “employer brand” come into the picture – terms often used interchangeably in the scientific and professional fields. The aim of the article is to eliminate the confusion in the use of employer brand and employer image as terms and to show their theoretical position among other interconnected terms. It is presented through definitions and a model proposed by the author. In addition, the author points to the consideration of ethics when applying the employer brand.

**Key words:** *employer image, employer brand, labour shortage.*

## Introduction

### **Relevance of the article**

Currently, when there are many countries where the demand for employees is higher than the supply, there appears to be a question of how to solve this issue. The competition among companies is fierce regarding the opportunities to acquire a good quality workforce – 40% of employer brand professionals report struggling with a talent shortage, and 30% identify hiring top talent as their primary challenge (Seenit, 2023). Thus, employers are forced to think about retaining or attracting good employees. Some argue that the labour market should be opened more widely, while others are against it due to potential consequences arising from choosing this strategy. Others are advocates of AI technologies as the solution. However, implementing AI technologies is still a time- and cost-consuming solution that can be implemented slowly in many businesses (Fleming, Goehring, Li, Svanberg, & Thompson, 2024). However, the instrument that is readily available for every company is to make sure they will be chosen when their potential employees consider making career changes. This is where the terms “employer image” and “employer brand” come into the picture. Until now, notable work has been published by such researchers as Barrow & Ambler (1996), Minchington (2015), Mosley (2011, 2014) and many others, who have worked to both create theoretical concepts and discuss practical approaches that can be used in companies. However, it can be noticed in several papers that the terms employer brand and employer image have been used interchangeably. Thus, firstly, the author wants to point out the apparent differences between the terms and draw a distinctive line in their usage. Secondly, the author wants to show the importance of a well-created employer brand as a tool to enhance the opportunity to be chosen among the fierce competition since many companies still do not consider using employer branding as a tool. The relevance from the scientific point of view is that the author’s work allows clarifying the appropriate use of terms when approaching the topic. The relevance of the paper is that by understanding the conceptual position of employer brand and employer image in the context of other elements interconnected to it, it is easier to conclude the possible influencing forces and allow evaluation of where the company currently stands.

### **Problem investigation level**

The author has analysed the available scientific literature and created a conceptual model that shows the interplay of both terms. It is possible to draw a clear line on what employer image is, how employer brand differs from it, and what could be the key elements to look at when employer brand strategy does not work out as expected.

### **Scientific problem**

It can be noticed that both terms are often used interchangeably in both scientific literature and among professionals; thus, it can create misunderstandings and inaccuracies when dealing with the topic in the academic, scientific or professional fields. Also, the scientific literature does not fully establish a conceptual mechanism of interaction between the terms.

### ***Object of the article***

The object of this article is an organisation and its role as an employer.

### ***Aim of the article***

The aim of the article is to dispel confusion about the terms employer brand and employer image and show a clear position of the terms in relation to each other.

### ***Objectives of the article:***

1. To compare the approach of defining aforementioned terms by other authors;
2. To evaluate the existing literature regarding the elements that create both the employer image and employer brand;
3. To conceptually show the distinction between employer brand and employer image.

### ***Methods of the article***

By using the monographic method, the author chose to collect and analyse the available scientific literature on the subject of employer image and employer brand, including both – the significantly quoted authors and their articles, as well as contributions from more recent years. Exploring existing approaches allows the creation of a conceptual framework of the interaction of both terms that can be used in the academic and professional fields.

## **1. Good quality employees – an opportunity to gain competitive advantages**

In the second half of the 20th century, managers began to realise that gaining competitive advantages with high-quality employees was possible in companies worldwide. Especially important, but not only, it can be felt in companies where there is a need for a highly professional, educated workforce and the competition for attracting these jobs to the company is fierce. It can be felt in Europe as well as other countries in the world (EURES, 2022). Also, since generations have replaced each other over time, it is crucial for companies to know what changes should be applied in order to keep up with the demands of the workforce. For instance, elements such as competitive salary, work-life balance and flexible working have become more important globally among students over the years (Universum, 2023). It can be challenging to keep up with the ideals of the incoming generation in the labour market. However, in the long term, it can be even more costly not to be aware of the demands and topicalities.

Most researchers may talk about employer brand and employer image in articles that discuss the attraction of employees in particular. However, in the author's opinion, making sure they want to stay is not less important since an employee who works for a particular company not just to survive but because they like working for the organisation will be more involved and dedicated. According to Porath (2016), companies have higher profitability, higher productivity, higher turnover, less workplace theft, and other beneficial indicators etc. Thus, it is clear why a good employer image is essential for organisations to consider and why employer brand is the tool to use when managing employer image is necessary.

### ***The concept of employer image***

According to Highhouse, Brooks, Gregarus (2009), employer image is a part of corporate image and explains the definition of employer image as *people's perception of the company as an employer*. Corporate image, in turn, according to him, consists of a total of four elements – social image, financial image, employer image and market image. To manage the corporate image for decades since the 90s of the 20<sup>th</sup> century, academics and professionals have paid attention to corporate branding as a crucial part of any organisation.

Lievens & Slaughter (2016) state that to fully describe employer image, it is vital to take into account that the image 1) is held by individuals (not groups), 2) might fluctuate (thus can be changed), 3) targets specific aspects (versus an overall impression), and 4) is cognitive in its nature.

To conclude, research on the definition of **employer image** explains that employer image is formed by any experience a person has had with a particular organisation or any information they have heard from other people or companies about the organisation. Thus, it is crucial not only to

know what the company is like as an employer but also to know what it is like as a company while performing its basic functions.

### ***Employer brand as an instrument to enhance employer image***

Bickerton & Knox (2003) define a corporate brand as follows: “A corporate brand is the visual, verbal and behavioural expression of an organisation’s unique business model”. Companies with strong employer brands have been found to have lower employee turnover, higher employer attractiveness, lower recruitment costs, better relationships with their employees, and can hire the best talent (Berthon, Ewing & Hah, 2005; Sokro, 2012; Kalinska-Kula & Staniec, 2021).

Accordingly, if the employer image is a part of the corporate image, then the employer brand is a part of the corporate brand. Mokina (2014) also agrees, stating that the employer brand is a part of the corporate brand or B2L, while the other parts are B2G (business to government & social relations), B2C (business to consumer market), B2B (business to business). At the same time, Dhar, Mehendale, & Sodal (2018) define employer branding as follows: “employer branding is the image of a company in the eyes of its employees and represents its reputation in the market”. In the author’s opinion, in the given definition and others similar in the literature, the essence and nature of marketing are being ignored. Similarly, a confusing use of both terms has been noticed in the work of Anseel, Hoye & Lievens (2007), which was not observed in the later work of Lievens (2016). The author believes that it is essential for the definition to imply that the employer brand is actively and consciously created and not a passive self-creating phenomenon. This is what seems to be the main difference between employer image and employer brand – **while the image is a perception and opinion that arises whether the employer wants it or not, employer branding is a deliberate action to create the most positive image possible, using marketing tools.**

### ***Interaction of employer brand and employer image***

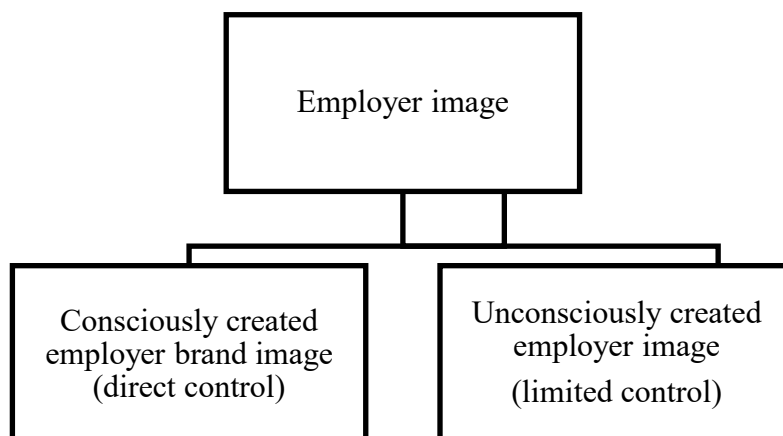
According to Lievens & Slaughter (2016) the image of the company is created by various elements:

1. Job advertisements (style of the job description, requirements, offered benefits, content of the advertisement in general, etc.),
2. The experience with the company itself,
3. The homepage and social network profiles,
4. The opinions of current and former employees,
5. Scandals that might have occurred,
6. The size of the organisation,
7. Corporate social responsibility activities,
8. Advertising,
9. Diversification of the company’s operations and many other elements.

For instance, in the context of job advertisements, there are studies performed by Derious & Wille (2017) and Walker & Hinojosa (2013) that prove that even the way the various qualities that an employer is looking for in potential employees are formulated matter. Such a perspective undeniably shows how complex this topic is and how a nuanced approach is necessary when considering improving an employer’s image. However, overall, considering the elements suggested by Lievens & Slaughter (2016), it is possible to separate those into two groups (Fig.1): 1) elements that the company has direct control over, 2) elements that the company does not have direct control over.

The instrument used to optimise the part under the company’s control is **employer branding** activities that the organisation performs to convey the values and benefits that are promised to the potential and existing employees. The creation of an employer brand not only gives a clear direction for the company but also allows it to be ready to manage the elements that arise outside the company’s direct control. The unconsciously created part can have a positive as well as negative impact on the overall image. It is possible that rumours, gossip, praises, and even scandals arise from both positive actions and wrongdoings by the organisation while it performs its basic functions. While it is also possible that neither positive nor negative actions have been performed,

unpredictable situations arise. No investment in employer branding can fully eliminate the possible impact outside the company's control.



Source: created by the author.

**Fig. 1. Elements forming the concept of the employer's image**

The non-existence of an employer brand and, thus, more likely, a weak image of the company does not automatically imply that the company is a poor place to work. However, it can be a severe obstacle to attracting talent to the company and have many other long-term consequences, such as a high employee turnover rate, low job satisfaction and others.

Various authors describe the dimensions of employer brand and, thus, elements that are under the company's direct control. Some of the authors are Sharma & Prasad (2018), Tanwar & Prasad (2016), Hillebrandt & Ivens (2013), Jain (2013), Corporate Leadership Council (1999), Barrow & Mosley (2011), Nanjundeswaraswamy, Bharath, & Nagesh (2022) and others. Authors take quite different approaches to categorising the dimensions – Jain (2013), for example, offers 4 dimensions, while Barrow et al. (2011) offer 12. A recent extensive study offered by Nanjundeswaraswamy's, Bharath's & Nagesh's (2022) – as a result offers 7 dimensions of employer brand – career development opportunities, compensation and benefits, corporate social responsibility, organisational culture, training and development, work environment and work and life balance. Thus, when creating an employer brand and trying to understand the factors an organisation should emphasise, these dimensions are crucial.

## **2. The challenge of building a successful employer brand**

Empirical research shows that investing in employer branding comes with benefits. For instance, Hudakova & Urbancova (2017) concluded that the benefits resulting from employer branding are winning new talented employees, retaining key employees, increasing the motivation of current employees, improving public brand awareness of the organisation, improving financial performance and others. Another recent research study states that 96% of employees are more likely to apply to a company with a good employer brand, and 87% state that negative reviews deter them from applying (Seenit, 2023). It clearly shows that it is essential not only to have a strong brand but also that the inconsistency between what the brand has promised and what it is doing can significantly affect the amount and quality of applicants considering applying for the company.

While it might seem that building a brand is a simple solution to managing an employer's image, it is not the case. Employer brand as an instrument is incredibly powerful; however, it must be used correctly to be beneficial, not create damage.

From the employee's perspective, there is no guarantee that it will be better to work in a company that has developed an employer brand than in a company that has not yet spent much time thinking about how the potential employees perceive the company since it does not mean they

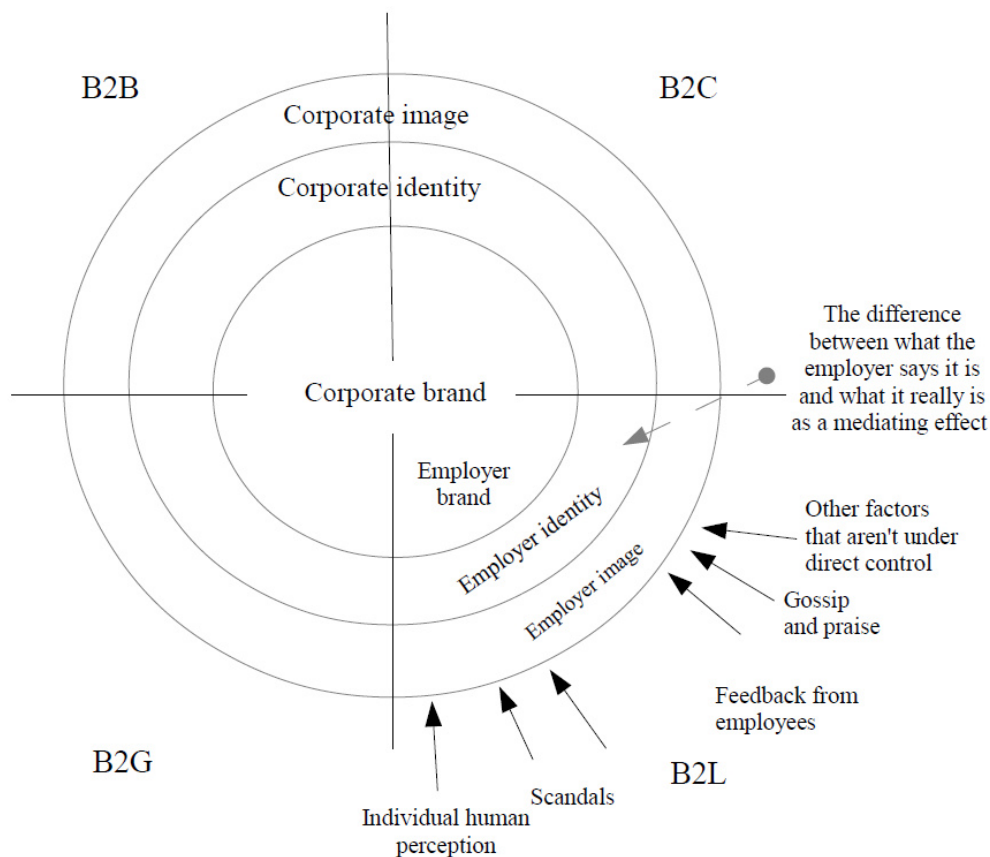
do not provide benefits and do not value their employees as their core asset. In addition, the fact that the brand has been developed does not mean it performs well. An example of a troublesome case study in the scientific literature is given by Mark & Toelken (2009); where they state that “this case study exemplifies the worst of Employer Branding by illustrating the toxic effect employer branding can have in the hands of senior executives who fail to live up to the promise of their own Employer Brand when they do not follow the company’s organisational narrative and dishonour their psychological contract with their employees.” Considering their research, it can be concluded that the most significant issue will not always be a lack of non-existent employer brand strategy. There might be other serious issues inside the company that, no matter the strategy, will create friction for or among employees and create a ripple effect of different consequences. Thus, looking at the company and its processes holistically is necessary.

Thus, it is crucial to be educated regarding the best practices to build an employer brand, monitor the chosen indicators after the implementation, and create a brand that merges well and is true to the core of the company. Also, a thorough completion of the brand positioning process has to be performed in order to provide the best results. In the author’s opinion, apart from following the actual brand positioning process step by step that is provided by, for instance, Thompson (2004) or other researchers, it is also crucial for the organisation to focus not only on the enhancement of the image but on the actual benefits they can provide for the existing and potential employees. For instance, research in 2022 claims that 61% of employees globally consider salary and benefits to be the most important driver, 57% consider work and life balance as the second most important driver, while 55% of respondents claim long-term job security to be necessary, but are employers ready to take it fully into account or is the employer brand created for the sake of creating a fleeting image? Correspondingly, corporate social responsibility activities have been discussed, which is a widely used tool in employer branding. When companies support certain causes, are they “washing away their sins” as stated by Kand, Germann & Grewal (2016) and similarly claimed by Bernardino (2021) or are the values they are claiming to support intertwining their actions outside CSR activities as well? To contribute perspective from other researchers, it is crucial to sincerely care about employees because they are a direct link between the company and customers – Minchington & Morris (2015) state that employees are central to the customer experience.

The coherence between what has been promised by the brand and what is being done is highly important. If the brand does not deliver what has been promised, there is a high chance of value incongruence, which has been evaluated as an important element by Kim & Legendre (2001). While regarding the ethical usage of an employer brand as an instrument, it is valuable to mention Ind’s & Ian’s (2011) work. Researchers suggest using the terms **conscientious brand** or **brands with conscience** and state that: “Acting conscientiously means rejecting expediency for principle, temporary advantage for long term gain.” In the author’s opinion, introducing such a vision is important to foster the creation of ethical, transparent and honest brands, for which it is important to be who they say they are.

### ***Conceptualisation of employer image and employer brand***

In order to build an employer brand, it is crucial to understand its conceptual position in the context of other elements interconnected to it. As previously mentioned, Mokina (2014) suggests that the employer brand is a part of the corporate brand or B2L, while the other parts are B2G (business to government & social relations), B2C (business to consumer market), B2B (business to business). Similarly, Highhouse, Brooks & Gregarus (2009) state that corporate image also consists of 4 elements – social image, financial image, employer image and market image. Based on previous authors, the author provides a conceptual framework of interaction between both terms.



Source: created by the author.

**Fig. 2. The mutual interaction of the main theoretical concepts related to the employer brand and the main forces forming the employer image**

It can be seen that the four elements that form both the corporate image and the corporate brand, proposed by Mokina (2014) and Highhouse, Brooks & Gregarus (2009), have been used as the basis. In the image, it can be seen that strong corporate brands are an important platform for establishing strong employer brands. Each separate part must agree with the corporate brand to create an image without contradictions. The focus of this article is the employer brand and the other parts – B2G or business to government and social structures, B2C – business to consumer market and B2B – business to business are not examined in this article. However, as stated above, the image of a company as an employer can be influenced by any experience with the company; thus, all four parts are strongly interconnected and crucial when considering the reasons for a favourable or non-favourable employer image. For instance, someone from the B2G sector or B2B sector can also be a part of B2L sector in the future and the obtained image of the brand previously will play a role in determining what they think about the brand when they consider working for the organisation. Consequently, the four quadrants are interrelated rather than independent. The message, communication, actions and values of each element of the corporate brand must be consistent and not contradictory.

A corporate brand is a promise (Bedi & Bhargava, 2022) conveyed in the organisation's actions and communication, while corporate identity answers the question of what this company is. **The intersection of employer identity between employer brand and employer image is a decisive element in assessing the chosen path of the company.** Is the company what it says it is? Moreover, what are the real reasons if the current image is not favourable? The answer understandably depends from case to case. In the author's opinion, it is essential to emphasise that in order for a brand to be strong, it is crucial for it to perform as promised.

Regarding the ethicality of brands, it was mentioned above that Ind & Ian (2011) suggest using the term **conscientious brand** for brands. The author suggests separating and introducing the term

**conscientious employer brand** since the author has not yet found evidence of researchers already using this term. A conscientious employer brand incorporates a mindset that focuses on the following idea “if it is pleasant to work for the company, people will think good about us”, rather than “we just want people to think good of us”. Thus, a conscientious employer brand is one where professionals are sincerely interested in creating a workplace that is in the best interests of employees within the limitations of available resources. The author believes that, although it can be cost-consuming and sometimes challenging, it is also incredibly rewarding, there are numerous papers that discuss the benefits of high job satisfaction (Omah & Obekwie, 2019, Loan, 2020). For instance, a recent research study by Bruno (2023) talks about lower employee turnover, higher ROIC, and other benefits arising from investing in employees.

To describe Fig.2 further, it is possible to see that no matter how hard any organisation tries to sustain a good employer’s image, there are forces out of their direct control that can both enhance and harm the image. Regarding the forces outside direct control, it is possible to mention gossip and rumours that can be both with a justification or created as a smear campaign, scandals, where an organisation can be involved without an intention or, for instance, an accident at work that people hear about and that is not managed correctly. Although most influencing factors will probably be connected more to the corporate brand and not employer brand in particular, as mentioned before, all the parts of the corporate brand are interconnected and cannot be separated. The author believes that sometimes, an event that puts a risk on the corporate or employer brand image can be turned upside down if managed correctly. After all, it is understandable that perfection is illusory, but taking accountability for adversities is highly attractive for every stakeholder involved – consumers, potential and existing employees, other companies, and others.

## Conclusions

1. In some articles, authors use employer brand and employer image as synonyms or ignore the marketing nature of employer brand. It is crucial to distinguish the terms clearly to avoid confusion in the scientific and professional literature.
2. Many authors have offered their perspectives on the dimensions of creating an employer brand. Less attention has been paid to dimensions creating employer image.
3. While the elements creating employer brand and employer image are mainly similar, the difference is that employer image consists of elements that are both – in the control of the company and outside of direct control of the company.
4. Employer’s identity is an intersection between employer brand and employer image that might illuminate reasons why the company’s image is not as desired even if an employer brand strategy is developed. One of the reasons is that the company’s actions and communication are different from what it says they are. For an employed brand to be strong, it has to deliver the promises included in its concept practically. The approach of being honest, genuinely caring and ethical when it comes to doing what the company says it will do is rewarding in the scientific literature. Employer identity is a phenomenon that could be further researched in cases when employer brand strategies do not deliver the expected results.

## References

1. Ambler, T., & Barrow, S. (1996). The employer brand. *Journal of Brand Management*, 4(3), p. 185–206.
2. Anseel, F., Van Hoye, G., & Lievens, F. (2007). Organisational identity and employer image: Towards a unifying framework. *British Journal of Management*, 18, p. 45–59.
3. Barrow S., & Mosley, R. (2011). *The employer brand: Bringing the best of brand management to people at Work*. Hoboken: John Wiley & Sons.
4. Bernardino, P. (2021). Responsible CSR communications: Avoid “washing” your corporate social responsibility, (CSR) Reports and Messages. *Journal of Leadership and Accountability and Ethics*, 18(1), 102–113.
5. Berthon, P., Ewing, M., & Hah, L.L. (2005). Captivating company: dimensions of attractiveness in employer Branding. *International Journal of Advertising*, 24(2), p. 151–172.
6. Bickerton, D., & Knox, S. (2003). The Six Conventions of Corporate Branding. *European Journal of Marketing*, 37(7/8), p. 998–1016.



7. Bruno, C. (2023). *The people factor: How investing in people pays off*. Philadelphia: University of Pennsylvania Press.
8. Corporate Leadership Council, & Corporate Executive Board (1999). *The Employment Brand: Building Competitive Advantage in the Labour Market*. Washington DC: Corporate Executive Board.
9. EURES. (2022). *Report on labour shortages and surpluses*, Bratislava: European Labour Authority.
10. Svanberg, M.S., Li, W., Fleming, M., Goehring, C.B., & Thompson, N.C. (2024). Beyond AI exposure: Which tasks are cost-effective to automate with computer vision? Working Paper, Massachusetts Institute of Technology & IBM's Institute for Business Value.
11. Highhouse, S., Brooks, M., & Gregarus, G. (2009). An organisational impression management perspective on the formation of corporate reputations. *Journal of Management*, 35(6), p. 1481–1493.
12. Hillebrandt, I., & Ivens, B.S. (2013). Scale development in employer branding. In *Impulse für die Markenpraxis und Markenforschung: Tagungsband der internationalen Konferenz „DerMarkentag 2011“*, p. 65–86. Wiesbaden: Springer Fachmedien.
13. Ind, N. (2003). *Beyond Branding: How the New Values of Transparency and Integrity are Changing the World of Brands*. London: Kogan Page.
14. Ind, N., & Ryder, I. (2011). Conscientious brands editorial, *The Journal of Brand Management*, 18, 635–638.
15. Jain, S. (2013). Employer branding and its impact on CSR, motivation and retention of employees using structural equation modelling. *Delhi Business Review*, 14(2), p. 83–98.
16. Kang, C., Germann, F., & Grewal, R. (2016). Washing away your sins? Corporate social responsibility, corporate social irresponsibility, and firm performance. *Journal of Marketing*, 80(2), p. 59–79.
17. Kalinska-Kula, M., & Staniec, I. (2021). Employer branding and organisational attractiveness: current employees' perspective. *European Research Studies Journal*, 24(1), p. 583–603.
18. Kim, Y., & Legendre, T.S. (2021). The effects of employer branding on value congruence and brand love. *Journal of Hospitality & Tourism Research*.
19. Lievens, F., & Slaughter, J. (2016). Employer image and employer branding: What we know and what we need to know. *Annual Review of Organizational Psychology and Organizational Behavior*, 3, p. 407–440.
20. Loan, L. (2020). The influence of organisational commitment on employees' job performance: The mediating role of job satisfaction. *Management Science Letters*, 10(14), p. 3307–3312.
21. Mark, P., & Toelken, K. (2009). Poisoned by a toxic brand: A worst case scenario of employer branding - A case study of a fortune 100 technology firm. *Organization Development Journal*, 27(4), p. 21.
22. Minchington, B., & Morris, L. (2015). In Employer Branding, Experience Is Everything. *Employer Brand International: Global Trends Whitepaper Series*.
23. Mokina, S. (2014). Place and role of employer brand in the structure of corporate brand. *Economics & Sociology*, 7(2), p. 136–148. <https://doi.org/10.14254/2071-789X.2014/7-2/11>
24. Mosley, R. (2014). *Employer Brand Management: Practical Lessons from the World's Leading Employers*. Hoboken: Wiley.
25. Nanjundeswaraswamy, T.S., Bharath S., & Nagesh, P. (2022). Employer branding: Design and development of a scale. *Journal of Economic and Administrative Sciences*. <https://doi.org/10.1108/JEAS-01-2022-0012>
26. Obibhunun, L., Omah, O., & Obiekwe, O. (2019). Impact of job satisfaction on organisation performance, *Academic Journal of Current Research*, 6(12).
27. Porath, C. (2016). Creating a More Human Workplace, Where Employees and Business Thrive. *SHRM Foundation's Effective Practice Guidelines Series*.
28. Sodal S., Dhar R., & Mehendale, S. (2018). Factors effecting employer branding – A methodological and thematic review. *Asian Journal of Management*, 9(1), p. 785–790. Retrieved from <https://doi.org/10.5958/2321-5763.2018.00123.3>
29. Sokro, E. (2012). Impact of employer branding on employee attraction and retention. *European Journal on Business and Management* 4(18), p. 164–173.
30. Seenit. (2023). *The state of employer brand 2023: Reframing, evolving and future-proofing Employer Branding through employee voices and an authentic EVP*. London: Seenit.
31. Sharma, R., & Prasad, A. (2018). Employer Brand and Its Unexplored Impact on Intent to Join. *International Journal of Organizational Analysis*, 26(3), p. 536–566.
32. Tanwar, K., & Prasad, A. (2016). The Effect of Employer Brand Dimensions on Job Satisfaction: Gender as a Moderator. *Management Decision*, 54(4), p. 854–886.
33. Thompson, A.B. (2004). *Brand Positioning and Brand Creation*. London: Profile Books.
34. Universers Global, (2023). *World's Most Attractive Employers*, Research Report.
35. Urbancová, H., & Hudáková, H. (2017). Benefits of employer brand and the supporting trends. *Economics and Sociology*, 10(4), p. 41–50. Retrieved from <https://doi.org/10.14254/2071-789X.2017/10-4/4>
36. Walker, H.J., & Hinojosa, A.S. (2013). Recruitment: The Role of Job Advertisements. In *The Oxford Handbook of Recruitment*, p. 269–283.
37. Wille L., & Derous E. (2018). When job ads turn you down: How requirements in job ads may stop instead of attract highly qualified women. *Sex Roles*, 79, p. 464–475, Retrieved from <https://doi.org/10.1007/s11199-017-0877-1>.