EMPLOYER BRANDING AND EMPLOYEE ENGAGEMENT OF FURNITURE RETAILER IN KLANG VALLEY

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INTRODUCTION

- Retailing industry in Malaysia is one of the biggest contributors towards Malaysia's gross domestic product (GDP) providing employment 700,000 people (7% of the total labour force in Malaysia)
- Because of the stability and good social environment with talented human resource supply, one of the world's largest furniture retailer had chosen Malaysia to become its regional hub for distribution to the Asia Pacific market
- Like any other retailing business it was the average yearly employee turnover rate was 13 percent
PURPOSE

To find out the relationship between employer branding and employee engagement in furniture retailing company

The state of employees’ engagement

The gender differences in their engagement towards their organisation
EMPLOYER BRANDING

Brand is a name, symbol, design or a combination of all that identifies the goods or services of one seller or group of sellers, distinguishing them from the goods and services of competitors.

Application of branding values and concepts in human resource management is commonly known as “employer branding.”

Employer branding has been first introduced by Barrow (1990). He defined employer branding as a package of functional, economic and psychological benefits for its target audience.

Later, another researcher Sullivan (2004) conjured employer branding as “a targeted, long-term strategy to manage the awareness and perceptions of employees, potential employees, and related stakeholders with regards to a particular firm.”

EMPLOYEE ENGAGEMENT

Employees’ intention to achieve organisational goals and put in superfluous efforts to ensure organisation achieve its vision and mission.

Most scholars agree that engaged employees have high levels of energy and contribute strongly to their work through their creativity, responsibility for their own professional development, teamwork and commitment to high-quality performance standards.
METHODOLOGY

- SURVEY: Target population for this study consisted of 350 employees at executive and store level staff in a selected chain of furniture retail outlet in Klang Valley.
- The survey took approximately three (3) months with a total of 120 responses (response rate was 30 percent).
RESPONDENT PROFILE

GENDER MALE

WORK EXPERIENCE

Age

- Age Below 20 Years
- Age 21-30 years
- Age 31-40 years
- Age 41-50 years
- Age Above 51 years

Marital Status

- Category 1 - 55%
- Category 2 - 45%
KEY FINDINGS 1

- HYPOTHESIS 1
  - Relationship between employer branding and employee engagement
  
  - Simple linear regression was performed
  
  - The result showed that the employer branding has a positive significant relationship towards employee engagement ($F=40.26$, $p<0.05$, $R$ Square $= 0.46$).
  
  - Elucidates that employer branding helps to explain 46% of the variance in employee engagement
  
  - Hypothesis: Supported
KEY FINDINGS 2 & 3

HYPOTHESIS 2

- Significant differences between male and female employees
  - Significant differences in scores between male ($M=63.500$, $SD=9.703$) and female ($M=56.467$, $SD=6.046$), $t=2.437$, $p=0.021$.
  - The magnitude of the differences in means (mean differences in means=$7.033$, 95% confident level:1.147 to 12.918) was moderate($\eta^2=0.5$)
  - Hypothesis: rejected

STATE OF EMPLOYEE ENGAGEMENT

- The top three highest scores of more than 3.8 were mainly related to: to me, my job is challenging (mean=3.891), time flies when I'm working (mean=3.867) and I'm enthusiastic about my job (mean=3.858).
- The three lowest being: It is difficult to detach myself from my job (mean=3.550), when I’m get up in the morning, I feel like going to work (mean=3.575) at At my job, I'm very resilient, mentally (mean=3.575)
DISCUSSION

**RELATIONSHIP BETWEEN EMPLOYER’S BRANDING & EMPLOYEE ENGAGEMENT**

- Supported Past Study
  - Employees most likely feel secured in working for a company that are well known especially if they carry international brand
  - Most well known brands especially of international standard would have well established human resource practices and policy that will definitely look into the staff welfare

**SIGNIFICANT DIFFERENCES BETWEEN GENDERS IN ENGAGEMENT**

- This study did not support past studies by Garg (2014) Robinson et al. (2004), Schaufeli, Bakker and Salanora (2006) and Yildirim (2008), where they found that there was no distinguishable difference between engagement levels between males and females in different industries.
- Result supported Sprang Clark and Whitt-Woosley (2007), Kong (2009) and Srivastava (2012) studies which showed that there exist differences in employee engagement
- The difference of the results however may be influenced by the nature of populations or sampling, type industries or instrument that applies as suggested by past study
DISCUSSION

STATE OF EMPLOYEES’ ENGAGEMENT

This study found the most important elements in employee engagement is-

- Work challenging is the most important variable which led to drive the employee engagement.

- The finding supported Bakker and Demerouti (2008) study which stated that work engagement have as positive, fulfilling, work-related state of mind of employees that can be a characterized as vigor, dedication, and deep absorption of organisational culture.

engaged employees have high levels of energy and are enthusiastic about their work.

• Moreover, they are often fully immersed in their work unaware that time flies.
Theoretical implications

- Research of employer branding and employee engagement in retail industry
- Determine a much clearer definition of the concept

Managerial perspectives

- Study provides invaluable input to the organisations in engaging their employees through the investment in employer branding.
- Organisations may consider on some kind of human resource applications or strategy to leverage the employee engagement in either retaining the employees, recruiting the best talent as well as reducing turnover rates or other motivating factors such as giving benefits.
- By developing a strong value proposition and positioning the employer branding alive in the organisation it may lead to the high level of employee engagement.
Future study

- Consider different settings in warrant generalisations.
- Increase the robustness of the study a bigger sample size.
- Other variables should consider such as job satisfaction, personality types or intention to stay.
- Researchers should also consider in pursuing a longitudinal method of research design.
THANK YOU