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# STRATEGIC BRAND MANAGEMENT IN GLOBAL ENVIRONMENT

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## **Abstract**

In modern business conditions, the brand is essentially important for business strategy success. Customers increasingly purchase products on the basis of brand, reputation, and other immaterial attributes and less on the basis of their physical characteristics. A strong brand increases the level of customer satisfaction and loyalty, and efficiency of business strategy. Brand with great value in the market is an important asset of firm. This system is advantageous for the company because all products within the company should receive equal attention. Any problems that arise for individual products should receive prompt responses, and advertising opportunities for the products will be quickly seized. The actual rapid changes in the environment require certain changes in business ac- trinities that include the adjustment of business philosophy and orientation of enterprise, as well as changes of business portfolio, organizational structure, and approach to management. An enterprise has to adapt its business activities to the needs and requirements of environment, which has become the imperative of its existence, growth, and development. Some radical (transformational) turns, which require changes in the basic company's Val- use, are also necessary. A rational reaction contributes to keeping the basics of competitive advantage and creating sources for achieving a new one. Market has become global and regional and other integrations have contributed to developing markets with labile borders.

**Keywords :** Brand Management, Global Environment

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## **Introduction**

Brand Association is the degree to which a particular brand is associated with the general product category in the mind of the consumer (share of mind). Often a consumer will ask for a product by the specific brand name rather than the general name. For example, a person wanting facial tissues may ask for Kleenex. When this happens, the consumer is making a brand association. In marketing, **brand management** is the analysis and planning on how that brand is perceived in the market. Developing a good relationship with the target market is essential for brand management. Tangible elements of brand management include the product itself; look, price, the packaging, etc. The intangible elements are the experience that the consumer has had with the brand, and also the relationship that they have with that brand. A brand manager would oversee all of these things. Technology development enables linkages on undreamed-of scale. Creating markets without borders, mass accommodation to the needs of strategically important customers, developing and managing relationships, focus on delivering superior values and networking organizations have become the key factors of business success

## **Meaning and Definition**

Brand management is a function of marketing that uses special techniques in order to increase the perceived value of a product (see: Brand equity). Based on the aims of the established marketing strategy, brand management enables the price of products to grow and builds loyal customers through positive associations and images or a strong awareness of the brand.

Brand management is the process of identifying the core value of a particular brand and reflecting the core value among the targeted customers. In modern terms, brand could be corporate, product, service, or

person. Brand management build brand credibility and credible brands only can build brand loyalty, bounce back from circumstantial crisis, and can benefit from price-sensitive customers.

### **The 7 Universal Brand-Management Truths**

No Matter the Product or Service, Knowing Your Team, Understanding the Competition Are Crucial  
Coca-Cola today has a market capitalization in excess of \$100 billion because the perceived value of its brand is significantly higher than the sum total of all the assets of the company. In my years with Procter & Gamble and Heinz, I have come to realize that no matter what the product or service; the key principles for building a great brand remain the same. By staying true to these seven principles, a marketer can weather economic highs and lows while building an iconic brand for target consumers.

1. **Leverage information via hypothesis-led data analysis.** This refers to leveraging information and converting it into a forceful rationale to take the right action for the brand. Key to this understands the issue at hand by anchoring the hypothesis and then looking at the data or information to prove the hypothesis right or wrong.

The pain-relief medicine brand Aleve had been struggling with single-digit market share. The team anchored two hypotheses: Consumers were not aware of the brand Aleve, and consumers were aware but didn't want to try the brand. Through data mining, they found that 35% of heavy pain-relief medicine users had tried Aleve in the past year but had been using other brands as well. Thus the issue was clear that the brand had the awareness and trial but needed to drive loyalty. Then, based on the top attributes that drove preference for the brand (control over pain, and freedom to do things you want), they developed the "Dramatic Difference" campaign, resulting in an almost 10% to 20% increase in sales and shares hitting an all-time high.

2. **Understand the competition and maintain your point of difference.** Having a broader category-competitive understanding is important because that sets the context under which consumers will be viewing your brand. It's critical to maintain the point of difference for your brand and play to its strengths. When Coke managed to get sponsorship rights for the 1996 Cricket World Cup in India, Pepsi gauged the competitive threat and stuck to its point of difference (youthful rebellion brand positioning). It launched the "nothing official about it" campaign during the Cricket World Cup, which actually helped Pepsi strengthen its leadership position in India.
3. **Be consistent with your positioning over time and across platforms.** For any brand, it's imperative to create a distinctive and meaningful position in the mind of consumers for the offering. So no matter what brand extension or innovation you are planning for your brand, ensure that it builds on and strengthens that distinctive positioning.

The Dove brand has extended across categories from skin care to hair care to others like deodorants by positioning itself on the soft/smooth platform and the fact that it contains moisturizing milk. Dove deodorants are positioned as leaving the underarms feeling soft and smooth. The brand has extended itself only in those categories where these soft/smooth and "contains moisturizing milk" equities are relevant, thus staying true to the positioning over time and across platforms, thus strengthening the brand.

4. **Know what your target consumer wants.** Evaluating all the marketing choices from the vantage point of the consumer will help you to connect with the consumer and genuinely make a positive difference in his or her life. It's important to understand both the stated and unstated needs -- the insights into your target consumers' lives.
5. **Manage budgets with a "scarcity" mentality.** Working with a scarcity mentality will help you maximize returns for every dollar spent by answering the question, "Is this the best way to spend dollars on marketing my brand, or is this money better spent elsewhere to generate greater returns?"

Starbucks, instead of spending money on TV advertising, clusters an area with its stores, increasing total revenue and market share. This was contrary to what established retailing houses did, which was to avoid placing stores near each other so as not to cannibalize sales at existing outlets. For Starbucks, doing so resulted in reduced supply costs and made management of the stores cheaper, which more than made up for sales lost to cannibalization. Thus, funding for expansion from internal cash flow was a judicious use of money.

6. **Get the right pricing that offers value in the eyes of consumers.** Pricing determines the value that your consumers get for your offering: Perceived consumer value equals perceived brand benefit/price. Thus it's critical to decide the pricing strategy for your brand so that there is a net positive value for your consumers.
7. **Motivate the team via thought leadership.** Building a successful brand requires dedicated support, not just from the leader but from the whole multifunctional team -- sales, research, R&D, finance. To do the same, the brand leader needs to have a clear vision for the brand and enlist the team toward the same.

#### **Four steps of strategic brand management**

Brand building is a very tough job and hence it requires a solid plan in advance. This is where Strategic brand management steps in. The role of strategic brand management is to take the brand equity of the company to new heights through sequential steps which add value to the brand and ultimately position the brand strongly in the mind of the customers.

Thus, you will find that there are 4 steps which are the most important in strategic brand management and these steps give the maximum effect over a long period of time to build a brand.

- 1) **Brand positioning** – The number 1 step in strategic brand management is to decide the brand positioning which the firm wants to achieve. This in itself is a humongous task. The marketer has to research the positioning of each brand in the industry and then find out differentiating factors. Using these differentiating factors, the brand can find a unique position in the mind of the customers. This unique positioning will give the brand a boost and consequentially will affect the overall performance of the brand.
- 2) **Brand marketing** – Once you have decided on the brand positioning, to implement the positioning, you need to carry out brand marketing. This involves marketing through various media vehicles as well as implementing ATL and BTL strategies so that you reach the end customer. Besides using media vehicles, building value through brand marketing activities is also important.
- 3) **Brand Performance and analysis** – Once you have determined the brand positioning that you want to achieve, and once you have marketed the brand accordingly, it is important that you analyze the brand and its performance in the industry. Brand audits can be conducted on a periodic basis to find out the real performance of the brand and how it has benefited the company.
- 4) **Building brand value** – The last step in strategic brand management is when you build value for your brand by taking various necessary measures. Brand building takes decades. And it is the role of strategic brand management to plan for decades and not for months. A company which is one or two year old, will not be able to offer too much of value to the customer. It has to make do with whatever it has. So to increase the value of the brand, the company has to enter new products and possibly new markets.

#### **Conclusions**

Successful brand is an important strategic instrument of an enterprise. It efficiently transfers to customers the meaning of product and makes its identification easier. Effective brand management

includes constant endeavor of enterprise to choose the ways for realizing the brand potential and increase its value. The basic message to management is that brand is an instrument, not only a goal and, if it used efficiently, it causes creation of very valued intangible assets - customer capital.

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# EVENT MANAGEMENT – TOWARDS BOOSTING ECONOMY THROUGH NEW CAREER IMPLICATIONS

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## **Abstract**

The period following economic liberalization has witnessed great changes in careers in India. There has been great number of options for aspirants to enter into global career market. The Indian economic scene offers wide range of career opportunities. Sectors like Indian economic service, finance sector, market sector, stock sector, IT sector etc offer job opportunities. Today's youth being dynamic & sportive go for diverse creative careers. Event management is one such career option which is gaining popularity these days. This paper looks at the new avenues of careers post liberalization period in India with special reference to event management (EM). It addresses the various implications EM projects in leading international cooperation & promotion.

**Keywords:** Event Management, New skills, Job Opportunities, International Cooperation

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## **INTRODUCTION**

The Indian job industry is booming ever since liberalization on Indian economy. There have been plenty of avenues in international cooperation & global careers. With the new age liberalization policy job aspirants are getting pre-placement offers inside the campus. Students are getting a high salary lucrative offers of job even before they move out of college. Event management is one such youthful career which has vast source of career openings. To prepare youth for this new skill of EM several colleges & Institutes have opened courses in EM. These courses are drawing popularity as they are dynamic & challenging. Besides this course itself is a multidisciplinary course involving management, finance, fine arts, accounting, cooperation, planning, etc. (Bowden & others -Events Management 2003)

## **OBJECTIVES OF EM AS A COURSE**

Event management as a course is designed for those who

1. Aspire to explore the event industry,
2. Develop their innovative knowledge & skills through creative thinking
3. Acquire transferable skills for the workplace & make the work pleasant & design
4. Who can think dynamically & convert their dynamism into creative activities
5. Who wish to go global in their career achievement & aspire to make a mark in International level

## **BRANCHES OF EM**

EM course contains several branches of events ranging such as

1. Event Administration
2. Event Coordination
3. Event Marketing
4. Event Risk Management
5. Event Protocol
6. Social Event Management
7. Event Entertainment & Management

8. Event Catering & Hospitality Management
9. Event Fund Raising & Sponsorship
10. Event Design & Décor Management
11. Event Negotiation & Contract

#### **CAREER OPTIONS OF EM**

1. A.V. production
2. Brand building
3. Budgeting
4. Client service
5. Communication strategy
6. Floriculture
7. Logistics
8. Negotiation &
9. Script writing
10. Thematic designing

#### **MAJOR EM EVENTS**

Ranging from a birth day party to launch of a new showroom events are on the rise across the world. There have been plenty of events among which following are significant. (Sanjay Tiwari -Career Opportunities In Financial Planning).

1. Launch of automobiles
2. Initiation of new Show rooms / hotels/restaurants/inns/ party halls
3. Cinema /music Award functions
4. Wedding receptions
5. Birthday parties
6. Music CD release
7. Anniversaries
8. New Product launch
9. Launch of new Mobile/ I phones/laptops
10. Calendar release
11. Visit of VIPs
12. Socio- religious gatherings
13. Community functions
14. Celebrity shows
15. Gadget introducing
16. Arranging press conferences
17. Organizing cinema parties
18. TV reality shows
19. Arranging consumer exhibitions

#### **CONCEPTUALIZATION OF E M**

1. **EVENT ADMINISTRATION-** In EM the organization of business and creative elements is essential for responsible EM and is a form of project management. This course examines all five phases of event management, human resource management including diversity management, procurement, time and financial management. Pricing, client/vendor relations and the use of many resources are explored.
2. **EVENT COORDINATION-** Both the business and creative elements of events need to be designed, planned and coordinated. This course examines the creative elements and applies

organizational principles to insure successful events. All the creative elements used in event management are discussed and evaluated. Management of the production schedule and logistics are scrutinized in detail.

3. **EVENT MARKETING-** Marketing the event product both internally and externally to all stakeholders is essential to successful events. This course will examine the various marketing methods and apply them to the event profession as part of an overall marketing plan. Advertising, public relations, media placement and internet marketing are discussed.
4. **EVENT RISK MANAGEMENT** -Successful event professionals must address risk assessment, analysis, health and safety factors and security threats to ensure the well-being of all stakeholders. This class will focus on facing and managing risk as it pertains to events so that risk may be met, mitigated, deferred or eliminated.
5. **EVENT PROTOCOL-** The event management professional must provide for the comfort, hospitality and personal dignity of attendees at events, whether corporate, military, diplomatic, social or a combination of all. This class identifies the precedence for developing and implementing these principles and offers pragmatic solutions and resources.
6. **SOCIAL EVENT MANAGEMENT** -The successful social event manager must understand life cycle events. Every nationality has its ceremonies, rituals and traditions, great and small, religious and non-religious. This course is designed to focus on the understanding of social event guidelines and responsibilities.( Sanjay Tiwari -Career Opportunities In Financial Planning)
7. **EVENT ENTERTAINMENT & MANAGEMENT** Entertainment and production elements are vital to the success of events. This course examines the basic principles of successful selection, contracting and management of both the types of entertainment and the necessary production elements, and the personnel necessary to produce successful events.
8. **EVENT CATERING & HOSPITALITY MANAGEMENT**-This course is designed to meet the needs of the event manager who represents the client, and is responsible for choosing a caterer, selecting a menu, negotiating a price, managing the event, and integrating the food and beverage preparation and service into the total event experience.
9. **EVENT FUND RAISING & SPONSORSHIP**-Both terms are often integrated, yet are very different. They require many similar skills and tasks, and both are directly related to event marketing. The differences and similarities, the ethics and the techniques are explored in this class, including financial planning and procurement of goods and services.
10. **EVENT DESIGN & DÉCOR MANAGEMENT** Décor elements provide the excitement or the “wow” factor in events and must be carefully planned and integrated into the overall event plan. Budget and safety concerns are important as well as many logistical elements. This class is presented both in a classroom and in a décor warehouse and offers a wonderful opportunity to design a dream event.
11. **EVENT NEGOTIATION & CONTRACT** -The negotiation and drafting of contracts is an essential element of event management. This course provides practical insight into the strategy and tactics of successful negotiation techniques as well as an analysis of the key elements of a well-written contract that will protect all stakeholders. Particular emphasis will be given to contracts with hotels and other event venues. (Sanjay Tiwari -Career Opportunities In Financial Planning).

### **BENEFITS OF EM AS A COURSE OF STUDY**

1. **CAREER BENEFITS** - EM is growing & vibrant arena in India & across the world. It has wide range of job opportunities. Career opening in EM is enhancing with growth in Information & technology sector.
2. **HELPS NEW COMPETENCY BUILDING** - EM is helps new competency building & new skills
3. **MULTI DISCIPLINARY**- EM is helpful in marketing financial consumer behavior project finding sponsorship seeking etc are inter related
4. **YOUTHFUL & DYNAMIC** - EM is modern youthful & dynamic & fast moving profession which attracts youth.
5. **TEACHING SKILLS**- EM is has innovative approach to teaching .It includes diverse fields such as business management , government policy making, educational aspects , community interests , finance sector etc.
6. **MANAGE DIVERSE STAKE HOLDERS**-EM incorporate diverse kinds of activities as they cater to diverse type of consumers they have to manage diverse stake holders.
7. **UNDERSTANDING BUDGETARY LINKS**-Delivering an event in time & in budget is a very important hence understanding budgetary links is very important.
8. **PROMOTES COMPLEX SKILLS**- EM is full of complex skills such as management innovation planning. Risk management, design management etc calls for dynamism. It gives an competitive edge in international job market. Public relations consultancy teaming all human resources economic development tourism arts community development.
9. **PROFESSIONAL ORIENTATION**- EM is helpful to get professional orientation. It enables the youth to gear up with time & seek innovative jobs instead of traditional jobs. Learning opportunities are more.
10. **SUPPORTS INDUSTRIAL DEVELOPMENT**- It supports industrial development as various events are linked with Industrial development.
11. **ENHANCES GLOBAL OPPORTUNITIES OF COOPERATION** - Enhances global opportunities of cooperation
12. **CONCEPTUALIZATION & CREATIVITY** -skills it embodies It is perfect blend of core management special skills
13. **HELPS INNOVATION IN TECHNOLOGY** - These days technology has been applied for everything hence technical application for planning events is also geared up. Software applications for event planners are prepared. Delegate registration, hotel booking, travel booking or allocation of exhibition floor space etc are completed through internet.
14. **HELPS SUSTAINABILITY**- EM promotes sustainability .Sustainability in event management incorporates socially and environmentally responsible decision making into the planning, organization and implementation of, and participation in, an event. It involves including sustainable development principles and practices in all levels of event organization, and aims to ensure that an event is hosted responsibly. It represents the total package of interventions at an event, and needs to be done in an integrated manner. Event greening should start at the inception of the project, and should involve all the key role players, such as clients, organizers, venues, sub-contractors and suppliers.

### **PHASES OF EM – Managing an event is a difficult task &it involves following phases**

1. Strategic Planning,
2. Project Management,
3. Budgeting Management,
4. Finance Management ,

5. Public relation Promotions & Sponsorship,
6. Marketing & Sponsorship,
7. Operations & Production,
8. Safety Management
9. Risk Management.

**SHORTFALLS OF EM-** As the EM involves risks it has certain shortfalls as well.

1. The risk bearing
2. Organizational hindrances
3. Persuasive behavior of the beneficiary
4. Lacuna in funding pattern
5. Delayed payouts
6. Sponsorship shortfalls
7. Lack of supportive help
8. Lack of timely communication
9. Lack of coherence on all parties connected to event
10. Lack of planning in finishing the event in prescribed time schedule
11. Underperformance in maintaining the ethical standards of the event schedule
12. Running out of budget
13. Organizing similar or more than one function at two different venues
14. Falling short of requirements at the last minute
15. Lack of coherence attitude

All these can become a problem while managing events. But a meticulous planning can avoid all these impediments & ensure success. The feeling of the community should not be hurt & the interests of the community should be safeguarded by EM.

**CONCLUSION** - Thus EM is a youthful career which has vast sources of career openings & skill aptitudes. As it prepares the youth for being dynamic & challenging. Besides this concept of EM itself is a multidisciplinary course involving community ,management, finance, fine arts, accounting, cooperation, planning etc. which thus enhances capacity building. This concept can well be knit together in community empowerment & community as a whole can be involved to enhance its successful management.

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# **BPO in India – COMPETITIVE ADVANTAGES AND CHALLENGES**

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## **Abstract**

BPO is one of the popular business practices in today's competitive environment. India has always been a land of opportunities for the foreign investors. India's demographics and historical background has placed it well in the world's trade map. Further, British colonizers brought English language with them, which now has become the global language of business; hence proving to be a boon in disguise for Indians. Also being world's largest democracy we have favorable political environment, which aids in attracting investments worldwide.

India has enormous opportunities emerging from globalization and consequent lowering of tariff barriers. Information Technology has given India formidable brand equity in the global markets. Indian BPO companies have a unique distinction of providing efficient business solutions with cost and quality as an advantage by using state of art technology. Through joint efforts of Government and the Industry, software development and IT enabled services have emerged as niche Opportunities for India in the global context. The Government has been making continuous efforts to make India a front-runner in the age of Information revolution..

**Keywords :** BPO, Business Process,

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## **CONCEPT OF BUSINESS PROCESS OUTSOURCING (BPO)**

Technically, the term Business Process Outsourcing (BPO) can be defined as the delegation of one or more IT- intensive business processes to an external provider that in turn owns, administers and manages the selected process based on defined and measurable performance criteria. IT-ITES is the major example of BPO business in India and other South Asian countries of the world.

## **OVERVIEW OF OUTSOURCING BUSINESS IN INDIA**

Due to strategic advantages India has become a leading country for offshore outsourcing business, since its beginning in mid 1980s. IT and BPO export sector has grown more than \$64 billion due to attractions like English speaking youth, low cost workforce present in abundance in Indian Subcontinent. American and European have the largest customers for the Indian outsourcing industry with account for 61% and 31% respectively for IT and BPO sectors. The largest vertical sector includes financial services (41%), manufacturing (17%), high-tech/ telecom (20%) and retail (8%) in India. IT and ITES industry had employed more than 2.3million people in the year 2009 in itself. Business from governments is a fast – growing segment for IT companies. Presently governments across the world are expected to spend close to \$175 billion on IT. The IT budget of US federal government is around \$36 Billion

The 2008-2009 global recessions had a negative impact on IT and ITES but it is experiencing a turnaround in 2010 in Indian scenario and hopes are high regarding the bouncing back to the double digit growth rates by the end of 2010. The top rankers in India includes that of TCS group, Infosys , Wipro, Spectra mind, Daksh e-services, Converges, HCL Technologies, Zenta, EXL etc. Important facts and figures are given in Table-1.

**TABLE-1: IMPORTANT FACTS AND FIGURES**

FACTS	FIGURES
Value Of India's IT exports in 2009-10	\$ 64 Billion
Share Of Indian Export Revenue Coming From The USA	61 Per Cent
Estimated Indian Share In Global Off-Share IT Services Market	51 Per Cent
The number Of Multinationals That Have Their Own Captive IT/ITES Units In India	900
Number of People Directly Employed in IT/ ITES	2.3 million

Key Highlights during FY2012 the below table shows the off shore BPO revenue, Indian BPO revenue and the total market potential of the world BPO industry

**IT-BPO Revenue USD billion**

Year wise	2008	2009	2010	2011	2012
Export	41	47	50	59	69
Domestic	22	22	24	29	32
Percentage of GDP	6.40%	6.70%	6.50%	7.10%	7.50%

1. Milestone year for Indian IT-BPO industry aggregate revenues cross the USD 100 billion Mark, exports at USD 69 billion
2. Within the global sourcing industry, India was able to increase its market share from 51 per cent in 2009, to 58 per cent in 2011, highlighting India's continued competitiveness and the effectiveness of India-based providers delivering transformational benefits.
3. Export revenues (including Hardware) estimated to reach USD 69.1 billion in FY2012 growing by over 16 per cent; Domestic revenues (including Hardware) at about USD 31.7 billion, growing by over 9 per cent.
4. Software and services revenues (excluding Hardware), comprising nearly 87 per cent of the total industry revenues, expected to post USD 87.6 billion in FY2012; estimated growth of about 14.9 per cent over FY2011
5. Within Software and services exports, IT services accounts for 58 per cent, BPO is nearly 23 per cent and ER&D and Software Products account for 19 per cent
6. The industry continues to be a net employment generator - expected to add 230,000 jobs in FY2012, thus providing direct employment to about 2.8 million, and indirectly employing 8.9 Million people
7. As a proportion of national GDP, the sector revenues have grown from 1.2 per cent in FY1998 to an estimated 7.5 per cent in FY2012
8. The industry's share of total Indian exports (merchandise plus services) increased from less than 4 per cent in FY1998 to about 25 per cent in FY2012
9. While the global macroeconomic scenario remained uncertain, the industry exhibited resilience and adaptability in continually reinventing itself to retain its appeal to clients.
10. Embracing emerging technologies, increased customer-centricity, deepening focus on new markets, adopting new business models are some successful growth strategies followed by the industry

**Interesting facts about the Indian BPO industry:**

1. The BPO sector in India is estimated to have reached a 54 per cent growth in revenue
2. The demand for Indian BPO services has been growing at an annual growth rate of 50%
3. The BPO industry in India has provided jobs for over 74,400 Indians. This number is continuing to grow on a yearly basis. The Indian BPO sector is soon to employ over 1.1 million Indians
4. 70% of India's BPO industry's revenue is from contact centers, 20% from data entry work and the remaining 10% from information technology related work
5. Indian BPOs handle 56% of the world's business process outsourcing

### COMPETITIVE ADVANTAGE OF INDIA IN THIS SECTOR

**Cost savings:** Data monitor, a leading UK-based business information company, research indicates that 67-72% of costs to call centers operating in the US/UK is directly linked to manpower costs. India, on the other hand spends only 33-40% of costs on manpower. This includes training, benefits and other incentives for labor.

**Abundant Human resource:** It has been identified that there is a large computer literate population is available in our Indian population composition through the recently conducted census survey.

**Language Competence:** India has got good English speaking cluster of population and all the higher studies are being taught in English.

**Infrastructure:** Indian government is showing a great concern for the development of infrastructural facilities in all the major cities of India and this gives a greater connectivity for the companies which are coming from off shore with their countries.

### Indian BPO's position among the world's fifty best managed BPO vendors

NASSCOM recently conducted a survey and evaluated the leading BPO service providers across India. The top fifteen business process outsourcing companies in India are:

1. WNS Group
2. Wipro Spectramind
3. Daksh e-Services
4. Convergys
5. HCL Technologiess
6. Zenta
7. ICICI Onesource
8. MphasiS
9. EXL
10. Tracmail
11. GTL Ltd
12. vCustomer
13. HTMT
14. 24/7 Customer
15. Sutherland Technologies

### DRIVERS OF GROWTH FOR INDIAN BPO INDUSTRY

- **Cost Competitiveness:** Cost reduction including transactional and capital costs is provided which in through leads to significant direct cost saving, wages which is 1/10th to the half of those in US. So, nearly 70% cost-savings is done compared to other locations in developed countries.
- **Employee Compensation:** Junior resources typically helps in providing the largest cost savings in India which is about 11% of those in USA. Salaries in the BPO sector are comparable. Junior voice and non-voice resources are about 10% to 17% of the US colleagues. Salaries in the BPO sector are comparable. Junior Voice and non-voice resources are about 10% to 17% of the US colleagues.
- **Resources and Skills:** India has a large workforce close to half a billion people which is only 2nd to China and 3 times the size of USA.
- **Workforce and Offshore Sector size :** Due to its work force and its early entry into the global sourcing market, India has built the largest export sector for IT and ITES. India exports about \$50billion in computer and ITES which is 4 times of USA.



- **Education and Skills:** Indian universities produce 8 million of graduates having nearly 16% of them, as technical graduates. They are similar to USA and 2nd only to China. So these young populations are ready to work as BPO employees which gives them chance to learn while earn.
- **Language:** India boasts of a large number of English speaking populations who with a little bit of voice accent training are readily employable in BPOs.
- **Technological Readiness:** India is relatively good in the level of technological readiness as internet is highly accessible at nominal rates which is a strategic advantage for our country.

### CHALLENGES FOR OUTSOURCING BUSINESS IN INDIA

#### External Challenges

Due to the above mentioned factors, which add to India's lucrative ness for the purpose of outsourcing, Americans are feeling the heat of loosing substantial jobs to us. Unemployment is around 9.6% countrywide and around 10% in the state of Ohio, whose governor has strictly banned all the exporting of govt. projects of IT field to other countries. But the silver lining amongst these clouds is the fact that there are other states also who still prefer export of IT and ITES to south-Asia. Amongst the demand drivers are states like Oklahoma, Minnesota, and Florida etc who continue to fuel the growth of IT business in India

#### Internal Challenges:

- **Poor Governance:** Poor governance due to executive management opposition may lead to loss of control of the offshore business.
- **Lack of communication:** Between the parent company and the outsourcing nations may also create lacuna in outsourcing
- **Cultural Misfit:** Employee unrest is possible due to cultural misfits of Indians in the US or UK based shifts or work settings.
- **Loss of In-House Expertise:** Loss of in-house expertise due to higher attrition rates in BPO business is a challenge.
- **Performance/Quality Concerns:** Due to lack of supervision there can be dip in performance of outsourcing business in India, which may again lead to increase in costs at the parent company's side. This is a major concern, which is needed to be checked out.
- **Higher Than Expected Costs:** Outsourcing is meant for reduction of costs, but the vice-versa may happen because of causes like excessive attrition rate due to which frequent recruitments have to be done which accelerates the cost of the company.
- **Data Security Concern:** Since In India, BPOs provide similar kinds of services to many clients even to rivals also, therefore arises the data leakage concern among the outsourcing company.
- **High Attrition Rates Among BPO Employees :**Due to cross-cultural variances between the customer and service provider, there arises the urge to switching over to other "Stable" or "Secure" jobs leading to higher attrition rates which creates a problem for the HR manager. Cases are also heard about racial discrimination or abuses which derogates an individual's self-esteem and he feels like leaving not only the job but outsourcing industry as a whole.
- **Lack of Coordination between Different Cultural Backgrounds:** Lack of coordination is created due to interaction of different people from different time-zones, dipping the efficiency of the employees.

## **SWOT ANALYSIS ON INDIAN BPO SECTOR**

### **Strengths**

1. Highly skilled, English-speaking workforce
2. Abundant manpower
3. Cheaper workforce than their Western counterparts According to Nasscom, The wage difference is as high as 70-80 percent when compared to their Western parts.
3. Lower attrition rates than in the West.
4. Dedicated workforce aiming at making a long-term career in the field
5. Round-the-clock advantage for Western companies due to the huge time difference.
6. Lower response time with efficient and effective service
7. Operational excellence
8. Conducive business environment

### **Weaknesses**

1. Recent months have seen a rise in the level of attrition rates among outsourcing workers who are quitting their jobs to pursue higher studies. Of late workers have shown a tendency not to pursue BPO as a full-time career.
2. The cost of telecom and network infrastructure is much higher in India than in the US.
3. Local infrastructure
4. Political influence

### **Opportunities**

1. \$98.6 billion ITES business by 2013.
2. \$110 billion IT (consulting, software solutions) market by 2013.
3. In services that require advanced English, like KPO, Content and Medicine, India will continue to excel. NASSCOM predicts that India will emerge as a global hub for knowledge services by 2015.
4. India has a large pool of English-speaking lawyers with expertise in foreign legal systems who can offer legal support and patent services. A few Indian companies are already affiliated with American legal firms and they have captured a small part of the American market.
5. India is now the leader in the FAO market with many Fortune 500 companies already having their outsourced operations in India with firms like IBM, ACS, and TCS etc.

### **Threats**

1. The industry is growing rapidly and requires corresponding growth in infrastructure as well, an area where India is lacking—this needs to be addressed.
2. Due to the rise in labor costs in Indian metro cities, companies are moving towards smaller Tier II.
3. Though India continues to be the world leader in the outsourcing business, it will face tougher challenges in the near future, from South-east Asian countries like Indonesia, Malaysia, the Philippines, Singapore, Vietnam and Thailand, which are improving their positioning as alternative offshore locations.
4. India's competitiveness is being challenged by countries like Indonesia, which offer cheaper labor in IT and business process skills, while India is experiencing increased labor costs and high attrition, which are of concern, and need to be addressed.
5. Political crises in markets like the US and UK might result in outsourcing restrictions being put in place.

### **Conclusion**

Every new opportunity has got its own blessings and curses like the same outsourcing industry has also got its own opportunities and threats in this post LPG era but it depends on our companies how well they are going to encounter the threats and how well they are going to capitalize the opportunities gifted by LPG.

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# IMPACT OF SUSTAINABLE HUMAN RESOURCE MANAGEMENT AND ORGANIZATIONAL PERFORMANCE

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## **Abstract**

Sustainability initiatives are mostly define as new strategy for improving the environment and human activities. As long as this attitude prevails, the paper suggests and recommends that sustainable human resource management can be carryout in all field of human endeavor. It is base on the foregoing that the paper discussed the impact of sustainable human resource management on the organizational performance, and the interplay that exist between the two construct, it also ensure leadership's responsibility to the frame of sustainability, as the business issue, employees need to understand the strategic for pursuing sustainability as means of achieving management of objectives, the threats associated with ignoring sustainability, and the opportunities it presents for business improvements, that made it paramount and worth adopting.

**Keywords:** Sustainable human resource management and organizational performance.

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## **INTRODUCTION**

Sustainability has been subject of thought and reflection in the field of management for a long time, only recently, however that the link between sustainability and HRM issues, seem to have received attention, where sustainable human resource management has developed different approaches, in identifying the benefit of the perception, against the traditional HRM, which is a drive towards a Sustainable development. Sustainability is a now evolving approach that promotes the use of human, natural and financial resources to improve the economy, the environment, and society in an integrated way for the benefit of current and future generations. The concept is a global policy theme, widely use since 1987 when the United Nations World Commission on Environment and development defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Human Resources Management (HRM) is the function within an organization that focuses on recruitment of, Management and providing direction for the people who work in the organization. Human Resource Management is the organizational function that deals with issues related to people such as compensation, hiring, growth management, organization development, safety, wellness, benefits, employee motivation, communication, administration and training. Human resource is a term with which many organizations describes the Combination of traditionally administrative personnel functions with growth management, employee relations and resource planning. It can be view in more comprehensive manner. Human resource management may be viewed as administrative activities that are associated with planning, recruitment, selection, orientation, training, appraisal motivation and remuneration. Human resource management aims at developing people through work. (Human resource management has a multidimensional approach on organizational function that builds on theories and ideas from various disciplines such as management, psychology, sociology anthropology and economics. Human resource management is a distinctive approach to employment management which seeks to achieve competitive advantage through strategy deployment of a highly committed and capable workforce using an integrated array of cultural, structural and personal techniques.

The five key concepts; that are fundamentals of human resource management, these are; motivating, disciplining, and managing conflict, staffing and training. Similarly, give five functional areas of the human resource management which is not far from the above view; these are as follows: staffing, rewards, employee development, employee's maintenance, and employee's relation. The above definition is mostly traditional, approaches to human resource management, but the global declaration of sustainability, drawn the connection the two concepts to form sustainable human resource management which will serve as a step stone, or a propeller for economic development which is the target of the sustainability declaration.

Sustainable human resource management is those long-term oriented conceptual approaches and activities aimed at a socially responsible and economically appropriate recruitment and selection, development, deployment, and release of employees." this implies that, as long there are different managers with different training and experience, there will be inconsistencies particular where managers are change often in an organizations, this will result to change in approaches, it is in this light that there is a need for sustainable human resource management which will create a long term approach in managing organizational assets in attempt to achieve organizational performance.

#### **SUSTAINABILITY IN HUMAN RESOURCE MANAGEMENT**

Sustainability in HRM is defined as "those long-term leaning concrete approaches and actions aimed at a collectively conscientious and cost-effectively appropriate recruitment and selection, development, operation, and release of employees.". Sustainable HRM is therefore established as cross functional task. Sustainable HRM is tool for avoiding unnecessary organizational change situations as these often make too great demands on the people involved. For example, Sustainable HRM could help sustaining employee dignity in the case of staff reduction and warranting their employment on the job market. the issue of long- term supply with highly qualified and motivated HR, three main tasks are regarded as particularly important for a Sustainable HRM; HR development, design of reward systems as well as consideration of sustainability in the company's goals, –strategies, and organizational culture the three main task as classified as being important to sustainable human resource management by can be discuss below;

#### **Human Resource Advancement**

Training are mostly used as a means for emergent of knowledge and skills to improve an individual and group performance based upon the design training and the aim it intend to achieve in term of efficiency and effectiveness, besides achieving competitiveness and productivity. Additionally, HRM helps an organization to meet its strategic goals by not only attracting and maintaining employees, but also to manage them effectively and efficiently, and to rebuild these employees through further training in order to increase their capabilities for maximum productivity. In addition, human resource advancement, approaches reshape the performance of employees by the kind of training they received. Thus, prepares individual employees to scale the organizational ladder, and helps to develop teamwork, which includes working together in handling emergency and non-emergency situations.

#### **Developing a Positive Reward System**

The basic principles of HRM are dependent on the development goals of an organization, and for these goals to be met, workers must be treated with incentives in order to be motivated to produce the required results that will benefit the organizations they are working with. Consequently, compensation may be able to be used as a performance apparatus for employees that the organization used as part of business strategy to achieve higher performance from employees, while career planning is an instrument that facilitates the strategy with future human resource needs and help employees to work hard for their personal development in their chosen career. In addition, compensation policy choices to pay either at the low, average, or high end of the labor market have rather dramatic implications on employee

commitment to the organization and for costs to the employer; as such the functional rationale for effective management of human resources should be to identify and implement those policies, programs, and procedures that would yield the desired levels of loyalty, skill and direction in the most cost-effective manner possible.

#### **Organizational Culture**

Organizational culture is a management apparatus that helps in validation of work efficiency and effective thinking: as an attempt to develop control work environment that employees and employers has unconsciously and consciously accepted as a ways of doing things around here, is not based on compulsion or on direction. Parker (2000) declares that employees drive pleasure in commanding themselves or each other it give them sense of fulfillment. The manager's task is considered to be the design of favorable culture that can trigger performance and employee can cope with. The approach of cultural theories is seen peculiar in areas in which direct control and guidance mechanisms are disadvantageous to both employees and organizational owners.

#### **ORGANIZATIONAL PERFORMANCE**

Performance has quite a varying meaning from a process view, performance means the transformation of input into outputs for achieving certain objective, with it a regards to its content. Performance inform the organization about the goal that is achieved, the one that need to be achieve in a given time (Shumen, 2009) According business dictionary organizational performance An analysis a company's performance as compared to goals and objectives.

In corporate organizations, there are three main outcomes analyzed: financial performance, market performance and shareholder value performance. Organizational performance encompasses three specific areas of firm outcomes: a) financial performance (profits, return on assets, return on investment, b) product market performance, sales, market share, and c) shareholder return, total shareholder return, economic value added, Organizational performance can also involves the recurring activities to establish organizational goals, monitor progress toward the goals, and make adjustments to achieve those goals more effectively and efficiently. To achieve a long term goal, the introduction of the sustainable human resource management is paramount in every willing organization that has a drive for organizational excellence

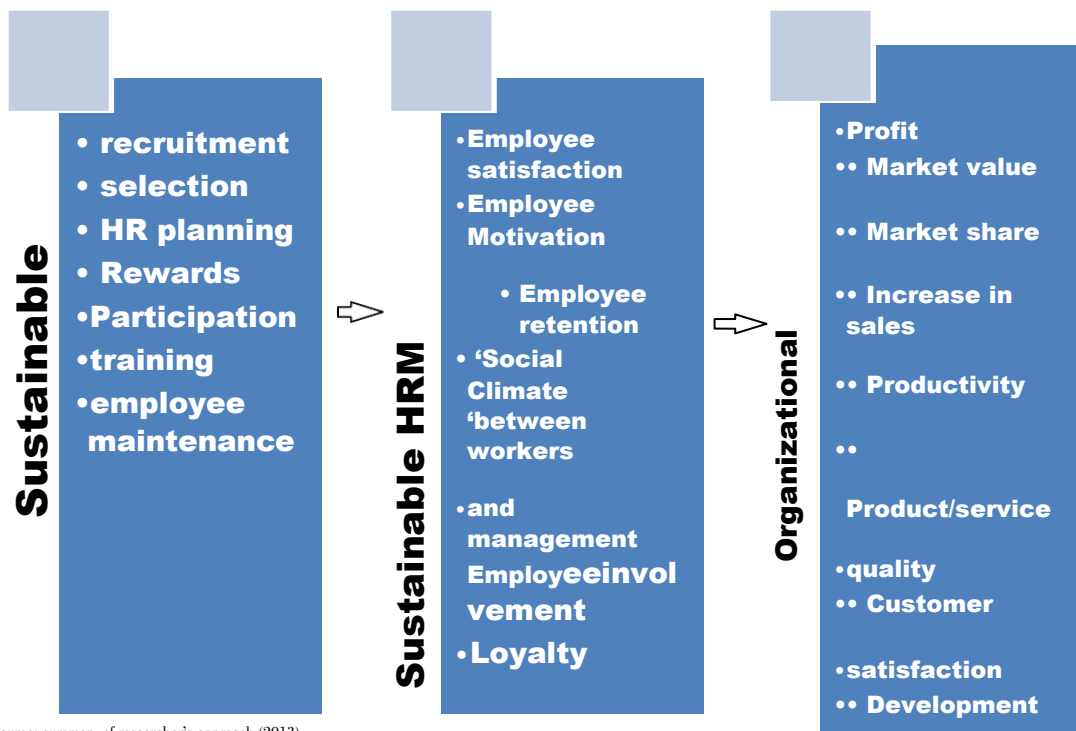
#### **Sustainable Human Resource Management and Organizational Performance**

The sustainable development of the organization is taking a more far approach, in its attempt for achieving a long term goals and objectives which the organization aimed to achieve within a specific period , the long term input directed on the organization to produces an output in relation to the organizational goal and objectives, is a clear interplay of the sustainable human resource management and the organizational performance , the construct of sustainable human resource management represents the inputs that is directed to the organization with view for an expected results and the construct of organizational performance represents the outputs of the construct, expected by the first construct sustainable human resource management. Those long-term oriented conceptual approaches and activities aimed at a socially responsible and economically appropriate recruitment and selection, development, deployment, and release of employees, to produces a sustainable HRM outcomes like Employee satisfaction, Employee motivation, Employee retention, employee presence, Social climate' between workers and management Employee involvement and loyalty. The above mentioned sustainable human resource management outcomes will produces organizational performance through the following; Profit Market value, Market share, Increase in sales, Productivity, Product/service quality, Customer Satisfaction, Development of, products/services and Future investments Thus the review, has proven that sustainable human resource management has a significant impact on organizational performance. This finding concurs with that of who attest that sustainable HRM can influence organizational; employee

morale and goodwill; productivity and efficiency; the quality of work; innovation and creativity and the attitude of employees at the workplace.

Similarly, Denison (1990) research indicates that HRM, influences organizational performance directly. An organization whose sustainable HRM is propagated extensively and profoundly, and practiced in management decision, enjoys much better repayments in terms of investment and sale than organizations that do not popularize. Therefore, studies prove that cultural factors can lead to the realization of a lot of the organization's value achievements, and it may be the extreme crucial factor for the success of organizations (Denison, 1990). Later research on organizational growth has gradually developed culture into a more macroscopic organizational aspect. In short, research has shown a close connection between sustainable HRM and organizational performance at least.

**Proposed Model of Sustainable HRM and Organizational Performance**



Source: summary of researcher's approach (2013)

**CONCLUSION**

Sustainability offered a new approach to management school of thought, just very few literature linked sustainability and HRM issues. The emergence of sustainability in organizations is explained from socially responsible to economically rational perspectives. Based on this, the paper has analyzes sustainable human resource management as a possible perspective that can impact success in organizational performance raise awareness for long-term side effects from HR activities on today's HR, organizations and on the future HR base. In addition, the paper made several recommendations on sustainable HRM practices. The paper has also proposed a model for Sustainable HRM and organizational performance for the future development in practice and application of the ideas in sustainable HRM and the important role its play in sustainability development...

### **RECOMMENDATION**

Organizations should articulate their sustainable HRM clearly; if possible explicitly in codified form. For example, this could be done by publishing the sustainable HRM in the employee's handbook, on the company website or through any suitable media.

Every individual has different culture and beliefs that govern the way he works, and when he joins an organization that has a completely different culture and set of beliefs from his own, he should be allowed to internalize himself first with the organization's culture and values to know whether he can cope with them or not. It is the ability of the employee to cope with the organization's culture that will determine how well he will perform on his job. This is an important factor to consider especially during the employee's probationary period. In the event where a change is necessary in the organizational culture, employees must first of all be notified beforehand and made to learn the change of the new culture as this will affect their performance. Sustainable HRM must be binding on all members of the organization as this will encourage uniformity among members of the organization and thus enhance commitment and group efficiency. This includes taking an oath of allegiance and signing duties and obligation schedules. Organizational leaders should align the culture of their respective organizations with sustainable human resource management to avoid contradiction in the way things are done. This can be carried out through the review of the performance appraisal tools and system, where any oversight will be duly tackled. Organizational performance should be evaluated with reference to organizational culture and human resource management practice through holistic adherence to performance standards and the use of relevant appraisal tools. Human resource managers and employees should immediately report about any values or norms of the organization that are found to be outdated or counterproductive, in order to achieve expected outcomes more easily and to avoid the impediment of organizational objectives.

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# A STUDY ON HUMAN RESOURCE TRAINING AND DEVELOPMENT

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## Abstract

Human resources are the people who made up the workforce of an organization, business sector or economy. The evolution of human resource function gave way to the fact that people are an organizations most important source. Organizations have training and development activities and have successfully used to reduce errors in such high risk situations. Here the role of the organization aims at giving more importance to training and development programs, which is more supportive for the growth of employees as well as for the achievement of organizational objectives. Training and development is a learning experience it leads to a permanent chance in an individual that will improve his or her ability to perform on the job.

This paper is concerned about human resource training methods and their development their benefits in the organization. So every organization should provide training to all the employees irrespective of their qualifications and skills.

**Keywords :** Human Resource, Development, Training

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**INTRODUCTION:** People are on organization most significant asset. They are regarded as the most crucial productive resources that create the largest and long lasting advantage to the organization, which in turn help the organization to achieve its goals. The training and development programs help them to remain competitive by continually educating the workforce. There is a science of training and development that shows that there is a right way and wrong was to design deliver and implement the training programs and training methods. Modern organizations have adopted a multidisciplinary, multilevel and a global perceptive to demonstrate that training and development activities in work organization can produce more and better benefits to the organization. The main objectives of training and development program are to achieve the mission of the organization and support the workforce to learn the culture of the organization, and to be updated with the present knowledge of the job.

In recent years, training and development has emerged as a formal business function, an integral element of strategy and recognized profession with distinct theories and methodologies. More and more companies of all size have embraced “continual learning “and other aspects of training and development as a means of promoting employee growth and acquiring highly skilled workforce. The objective of training and development should be clearly outlines specifying what behavior or skills will be affected and how they relate to the strategic mission of the company.

## Meaning of Training and Development:

Training and development can be described as on educational process which involves the sharpening skills, concepts, changing of attitudes and gaining more knowledge to enhance the performance of employees. Training and development is a subsystem of an organization which emphasize on the improvement of the performance of individuals and groups.

Training is a highly useful tool that can bring on employer into a position where they can do their job correctly, effectively and continuously training and development increases the knowledge and skill of an employee for doing a particular job.

Employer will be more productive if company provides them training and development as per the required job.

**Objectives of the study:**

1. To study on the factors which employees gain knowledge on new methods.
2. To analyze the focus on future growth of the organization and personal growth of employees
3. To study on the needs of individuals and organization to grow at a rapid place.
4. The main objective of the study is to assess how training and development programs have been effective in achieving the organizational goals.

**Review of Literature:**

Tires plus, tire retailored based on Minnesota, established tires plus university to its employees to increase recruitment, retain employees to the store, and fill up the key positions and augments whole improvement of the employees.

Venkataraman .K (1986) in his study entitled “sensitivity training to improve interrelations” focused on experience based learning of employees, in which working together in a small group to example the experiences, behavior is possible.

Donald Kirkpatrick in the late 1950s developed a model for measuring the effectiveness of training programs. The basic structure of the Kirkpatrick’s four level model consists of reaction learning behavior and results. An evaluation at each level whether a fundamental requirement of the training programs was met. It explains the usefulness of performing training methods at each level.

A study on strategic issues in training and development in the IT service industry at Kolkata was conducted by Mr. Anup Kumar Das in 2005. The study highlights the present trends and common practices in training and development activities and evaluation of those training programs along with comparison. The ceasucher comes to the conclusion that training and development strategies of IT companies in Kolkata are at par the Indian industry standards. Top ranked companies to nature their talented people and to make them future leaders provide carrier develop training programs.

**Methodology:**

The present study is conceptual with exploratory cum descriptive in nature. It is based on analysis of secondary data. The secondary data is a availed from various journals, magazines, research articles and e-books.

**Importance of Training and Development:**

1. **Advantages of standardization:** The methods of production are standardized through training. All trained employees follow some method and technique of production and hence by using etc standardized methods, the quality of output would be increased.
2. **Increasing organizational stability and flexibility:** Training provider’s opportunities for the employees to learn and acquire skills to work in sexual department in an organization. This result in low rate of labor turnover which means existence in organization in retaining people for a long period of time which means organizational stability and flexibility.
3. **Heightened morale and satisfaction:** Training and development aims at increased morale of employees because of reduction in dissatisfaction at work reduced complaints and reduced absenteeism and increased interest in work. Employees who feel appreciated and challenged through training opportunities may feel more satisfaction towards their job.
4. **Better Industrial Relation:** Training gives a platform for maintaining smooth industrial relations, employer develop a feeling that organization is taking care and interest in them through training and development programs.

5. **Reduced Learning Time:** A trained worker consumes a lot of time to learn the methods, technique of doing the work. Skilled and trained employees reach the acceptable level of performance within no time. Therefore training results in reduced learning time.
6. **Improved Employee Performance:** The employee who receives the required training is more competent and skillful to perform their jobs. This confidence will enhance their overall performance and this can benefit the company to achieve its main objectives and also to improve the company turnover and potential market share.

**Methods of Training:**

<b>On the job</b>	<b>Methods of Training off the job</b>
1. Coaching method	1. Case studies
2. Understudy method	2. Role playing
3. Job rotation method	3. In-basket methods
4. Special method	4. Business games
5. Committee method	5. Sensitivity training
6. Selective method	6. Simulation
	7. Incident Method
	8. Conferences

**On the job techniques:** on the job techniques are most popular for developing executive talent. Here, both the trainee executive and trainer are not free from their daily chores and the pressure of their executive routine jobs. Some of the most commonly techniques of executive development which fall under the category of on the job techniques are as follows.

1. **Coaching method:** Coaching is again on the job training of individual by the supervisor in the area of specifically defined tasks. This technique is more appropriate for orientation of new employee and for helping disadvantages employees to learn specific jobs. The supervisor must have in the interpersonal competence and be able to establish helping relationship with the trainee. The coaching methods enjoy the following merits.
  - i. The coaching method is akin to learning by doing.
  - ii. Coaching method requires the least centralized co-ordination from staff because every superior can coach his subordinates even without a formal management development programme.
  - iii. Immediate feedback and periodic evaluation enable the trainee executives to learn the job easily and without mistakes.

The chief demerits of the coaching methods are as follows:

  - i. The trainer may impose upon the trainees his work habits, ideas, beliefs and methods of doing the work. Coaching method, therefore, has a tendency to perpetuate the current management styles and practices rather than promoting innovative styles.
  - ii. The effectiveness of coaching methods depends on the ability of the trainer. If the trainer is inexperienced, possesses pseudo knowledge, and follows dogmatic principles, there would not be any use of coaching the trainee executive.
2. **Understudy Method:** Also known as attachment method, under this system, a person is picked up and subjected to training so that he in future assumes the full duties and responsibilities of the position currently help by his superior. ‘Understudy method is aimed at providing a person who is going to replace the existing superior. The chief merits of understudy method are as under.

- i. The understudy method ensures continuity of managerial talent even when the superior leaves (retires, transfers, or gets promotion) the department or organization.
- ii. The leadership qualities to trainee would be developed because he may be asked to supervise and guide a number of subordinates at work.

On the negative side of the coin, the following are the chief demerits of understudy method.

- i. If a wrong person is selected as understudy (due to favoritism or any other factor) there are opportunities for sizable errors which may turn out to be costly to the entire organization.
- ii. The understudy may be picked up by the superior and in this process he may exhibit favoritism, this may promote the tendencies of sycophancy and perpetuation of the existing practices of in-breeding.

3. **Job rotation method:** job rotation is also known as the channel method. Under the job rotation method, the specialists are translated into 'generalists' or 'all-rounder' because the executives are moved from one job to another on some planned basis in order to learn and develop all round knowledge.

The merits of job rotation are as under:

- i. Job rotation roots out the possibility of monotony and boredom of executives.
- ii. The innovative ideas of executives who are on rotation are infused into departmental personnel and then diffused throughout the organization.
- iii. Job rotation gives equal chance for all the executives for development and promotion.

Job rotation suffers from the following demerits:

- i. Job rotation may result in over-centralization, inflexibility and inefficiency
  - ii. Job rotation may involve frequent transfers who may upset the executive's organizational, family, and home life.
  - iii. Job rotation may also result in certain dysfunctional behaviors in terms of jealousy, cleavage, non-cooperation, friction within the departments etc.
4. **Special projects:** Under this method, a trainee executive is assigned a special project involving heavy responsibility. The trainee is supposed to study the project, understand the problem issues and prescribe appropriate solutions, and make a recommendation on the validity of the project.
  5. **Committee Assignments:** This is similar to the special project method. Here the trainee executive becomes members of special committees designed to solve specific problems. Though committee assignments solve different development.
  6. **Selective readings:** Some organizations maintain huge libraries involving a large collection of useful material on the subjects of interest to the enterprise. The executives go through the books, journals, articles, notes and magazines and assimilate knowledge. The executives, during their leisure hours, try to exchange their views with others and in this process learn new ways of looking at things

**Off the job methods:** off the job methods of executive development just discussed above may not be adequate because of the complexities of management process and inadequate facilities, environment and teaching experience, calling for more sophisticated and comprehensive methods of development.

1. **Case studies:** The case studies method involves diagnostic and problem solving study of usually a written description of some event or set of circumstances on organizational problems providing relevant details.
2. **Role paying:** Role playing is an active participation tool that facilitates cooperative learning. It has also proved to be more effective in developing competencies than traditional method.
3. **In basket method:** In basket technique is probably one of the best knowing situation or simulation exercises used in assessment centers. It is a method of acquainting new or promoted employees with the complexities of their jobs by presenting them with a range of problems they might find in their 'in basket' when they take up the job.
4. **Business games:** Also called business simulation game, refers to simulation games that are used as an educational tool for teaching business. Business games may be carried out for various business training such as general management, finance, organizational behavior, human resources etc. often, the term "business simulation" is used with the same meaning.
5. **Simulation:** Simulation is a special training technique conducted on a duplicate environment which is a mock up of a real-life environment. Under the simulation method, a single hour may be equated for a month, a quarter of a month, in real-life. Like this, several events may be experienced in a relatively short span of time.
6. **Incident Method:** This method combines intellectual ability, practical judgment, and social awareness of the executives. The group members are required to address questions to the discussion leader. The procedure is to ask general questions like what, when, where and how of the situation in which an incident developed, and who was present at that time. Finally, the executives react 'why of the behavior'. After having subjected through this method the executives would be in a position to increase their power to think clearly, incisively and reasonably about specific facts and also about abstractions. The executives capacity to modify conclusions arrived at intellectually also would go up.
7. **Conference:** The conference method is used to help employees develop problem-solving skills. Group discussions and meetings are the two common techniques often made use of in organizations. The chairman or the trainer leads discussion, involves trainees in attempting to solve problems and in arriving at decisions. The conference leader must have the necessary skill to lead the discussion in a meaningful way without losing sight of the topic or theme.
8. **Lectures:** One of the most widely accepted off-the-job training methods is the lecture method. Lectures are regarded as the better and simpler way of imparting knowledge to the trainee employees especially when concepts, principles, theories, problem-solving abilities, innovative methods, etc. are to be taught. Lecture method is most commonly used when a large spectrum of trainees are involved.

**Conclusion:** While new techniques are under continuous development several common training methods have proven highly effective, good continuous learning and development initials often feature a combination of several different methods that blend together, produce on effective training program. Importance of employer development program is growing so much in the organization, those pursuing to receive more benefit than the competitors. Training and development for employees are rapidly growing and organization is using this as a tool to compete with the competitors in the market. It is therefore imperative for management to implement proper training and development process in the organization. The effectiveness of the training programs and the development of the individual/employees.

Organization should put effort to make employees understand that the main reason for the conduction of training programs is not only for one or two factors, but also for the overall effectively of the company. When the employees in the organization are developed from time to time with all updated

knowledge, then definitely that organization will grow to a greater height. Thus training and development is extremely important to the growth of the employers as well as the company.

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# MANAGEMENT OF NATURAL RESOURCES AND RESPONSIBILITIES

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## Abstract

The manufacturing sector of each set of trading countries grows faster than its agricultural sector. The service sector grows even faster. Specialization is especially rapid in the manufacturing sector. Capital accumulation, comprised of produced, human, and knowledge capital, accelerates growth. During industrialization and service sector growth, resource depletion slows, e.g. renewable forestry, bench terraces, fertilizer, renewable energy, and imports of non-renewable increase. Natural capital depletion is much less than physical and human capital accumulation, even if you add environmental degradation to resource depletion.

Natural resources are depleting at alarming rates because of their irrational use pattern. Although, utilization of resources is an intrinsic component of the process of development yet, overexploitation of natural resources has led to environmental degradation and change in pattern of rural economy. Rural communities, in particular, are greatly affected by the increasing use of natural resources. To many of them, development is about livelihood and survival rather than increasing productivity and accumulation of wealth. Management of natural resources seems to be the only way forward to sustain the livability of rural communities. Management of natural resources requires collaborative works from various stakeholders as the use and un-use of natural resources depend upon a number of factors including historical, political, economic, social and cultural.

**Keywords :** Management, Natural Resources

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## Introduction

The manufacturing sector of each set of trading countries grows faster than its agricultural sector. The service sector grows even faster. Specialization is especially rapid in the manufacturing sector. Capital accumulation, comprised of produced, human, and knowledge capital, accelerates growth. During industrialization and service sector growth, resource depletion slows, e.g. renewable forestry, bench terraces, fertilizer, renewable energy, and imports of non-renewable increase. Natural capital depletion is much less than physical and human capital accumulation, even if you add environmental degradation to resource depletion.

Natural resources are depleting at alarming rates because of their irrational use pattern. Although, utilization of resources is an intrinsic component of the process of development yet, overexploitation of natural resources has led to environmental degradation and change in pattern of rural economy. Rural communities, in particular, are greatly affected by the increasing use of natural resources. To many of them, development is about livelihood and survival rather than increasing productivity and accumulation of wealth. Management of natural resources seems to be the only way forward to sustain the livability of rural communities. Management of natural resources requires collaborative works from various stakeholders as the use and un-use of natural resources depend upon a number of factors including historical, political, economic, social and cultural.

Through the substantial holistic approach and concrete framework for policy research could be conceptualized, planned and implemented. Department of Geography and Resource Management, Mizoram University, Aizawl, India, hosted an international conference on natural resources management for sustainable development and rural livelihoods which have addressed ways to boost agricultural productivity for food security and sustainable economic development, while conserving and restoring the natural resource base. Topics were covered include: assessment, management of natural resources for sustainable development, rural livelihoods and food security; integrated management of water and land resources; conserving agriculture systems; climate change mitigation and adaptation strategies including carbon sequestration in soils for different land use systems; and policy frameworks for capacity building to mitigate emerging problems in natural resource management. Developing and transition economies will be increasingly concerned with natural resources management, sustainable development and rural livelihood issues; they will have to solve a three-fold challenge: a better environment, good economic performances and poverty reduction as targeted by the Millennium Development Goals.

Developing and emerging countries will also have to tackle with increasing scarcities. Major objectives of conducting the conference was to evaluate past research efforts in integrated natural resources management for sustainable development and rural livelihoods, to streamline future scientific efforts in support of sustainable livelihood, to draw recommendations for capacity building in land, forest and water management. Invited participants were international scientists, leading farmers and experts from governmental and non-governmental organizations, researchers, representatives of donor organizations and decision-makers who exchanged views on how to use and manage natural resources for sustainable development and rural livelihoods. The Conference focused on various aspects of natural resources management for sustainable development and rural livelihood which were elaborated upon into the 11 thematic sessions: Natural resources management Climate change and sustainability issues Biodiversity Crop productivity Water harvesting for improving livelihoods Socio-economy of sustainable livelihoods Farmers' forum on Sustainable Livelihoods and natural Resources Agricultural and forestation issues Soil conservation and forestry Landscapes Technologies for improved rural welfare.

#### **Nature and Causes of Unsustainable Development**

Even if dynamic efficiency is satisfied, unsustainable development can result from excess consumption relative to investment, such that the accumulation of produced capital is too little to offset the depletion of natural capital, i.e. that total capital accumulation is negative (Arrow et al. 2004). Excess depletion of natural resources results from a failure to align private incentives with social priorities, especially through inappropriate or the lack of property rights, e.g. the ability of military units to exploit public forests or the nationalization of the oil business. Its rapid expansion brought about by unsustainable management practices led to pasture degradation which pushed ranchers to cut down additional forests in order to keep their herds.

On the other hand, small special interest groups have more sharply focused objectives and ease of organization. Furthermore, their participation in political affairs creates a solid electoral support that politicians seek. Meanwhile, the special interest groups intentionally cultivate the alliances of politicians and bureaucrats to further their own private agenda and protect their own businesses. Their partnership with bureaucrats allows them to enjoy lax regulations and special favors while the politicians can influence the legal environment conducive for expansion and profitability of their business. The reinforcing arrows make it an invincible iron triangle. With these dynamics, the minority of special interests readily tyrannizes the needs of the relatively poor majority.

#### **Development and Specialization**

Positive sustainability can also be attained through development and specialization if properly facilitated. These two types of specialization opportunities expand as a country industrializes. As farm



production intensifies, labor inputs increase, until the last stage wherein capital-labor substitution overcomes input intensification. Labor contracts become increasingly specialized, with contracts made on a task-by-task basis. Hired labor therefore stimulates horizontal specialization across tasks. A good illustration of vertical and horizontal specialization is found in the institution of piece-rate by teams. Landowners may specialize in land improvements, such as irrigation, and employ tenants who specialize in management-intensive labor, who in turn, employ and monitor workers who specialize in arduous and more easily supervised tasks.

In agriculture, specialization is limited by the scope of assembly because of nonconvexities being less compact. In this sense, the capacity for specialization in industry may be quantitatively greater than that of agriculture but not necessarily qualitatively different. In manufacturing, horizontal specialization of final products are facilitated by vertical coordination of giant retailers. Size of the market allows specialization of component varieties such that standardization is not needed.

#### Conclusion

If necessity is the mother of invention, specialization (learning by doing) is the father. Rent-seeking stifles innovation through fragmentation and stagnation. Transparency and accountability are the enemies of rent-seeking. Government policies should be framed by the principles of positive sustainability – dynamic efficiency and capital formation that allows for standards of living to perpetually increase in pursuit of the golden rule level. The role of public policy in sustainable development is gleaned from the oldest lesson in economics: don't dictate, facilitate. As Adam Smith has noted, "*The man of system (planner) ... is so enamored with the supposed beauty of his own ideal plan of government, that he cannot suffer the smallest deviation. He seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board. He does not consider that, in the great chess-board of human society, every single piece has a principle of motion of its own, altogether different from that which the legislature might choose to impress upon it.*"

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# AN ANALYSIS ON THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON THE PROCESS OF SUSTAINABLE DEVELOPMENT

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## Abstract

It is evidently found that in the 21<sup>st</sup> century the discussion of sustainability has risen above average and a huge amount of different terms have been established regarding this issue. This leads to a very broad and unspecified discussion about this topic, especially in economic and business management. The emphasis on achieving sustainable development is greater in the present scenario than ever before. Hence there have been numerous debates on the relationship of CSR and sustainable development.

The aim of this paper is to find out-due to an extended literature study – where the focus in the discussion of sustainable development and Corporate Social Responsibility, clusters have been identified which intend to clarify whether CSR correlates with the social dimension of SD as defined by Brundtland; whether CSR represents Sustainable Development on a corporate level; whether SD and CSR are used synonymously; or whether articles exist which focus especially on the social dimensions of SD but do not use terms such as CSR.

Sustainable Development was defined by Brundtland commission has “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. A framework is presented in which the relationship between SD and CSR is defined to ease further research in SD and CSR, moreover, to enhance the development of new methodologies and instruments towards the implementation of SD and CSR strategies into companies.

**Keywords:** Sustainable Development, Corporate Social Responsibility, Corporate Sustainability.

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## Introduction

Corporations around the world are struggling with a new role, which is to meet the needs of the present generation without compromising the ability of the next generations to meet their own needs. Organizations are being called upon to take responsibility for the ways their operations impact societies and the natural environment. They are also being asked to apply sustainability principles to the ways in which they conduct their business. **Sustainability** refers to an organization’s activities, typically considered voluntary, that demonstrate the inclusion of social and environmental concern in interaction with stakeholders.

To understand and enhance current efforts, the most socially responsible organizations continue to revise their short and long-term agendas, to stay ahead of rapidly changing challenges. The quality of relationships that a company has with its employees and other stakeholders such as customers, investors, suppliers, public and governmental officials, activists, and communities is crucial to its success, as is its ability to respond to competitive conditions and Corporate Social Responsibility.

These major transformations require national and global companies to approach their business in terms of sustainable development, and both individual and organizational leadership plays a major role in the change.

Corporate Social Responsibility or sustainability is therefore a prominent feature of the business and society literature, addressing topics of business ethics, corporate social performance, global corporate citizenship and stakeholder management.

The following paper present the knowledge related to CSR and Sustainable Development. The field addresses complex and critical issues, such as human rights, environmental protection, equal opportunities for all, fair competition and the interdependencies that occur between organization and society (Quinn, 2008). Ongoing research reveals that a variety of strategies, alliances, and partnerships, and approaches are being used around the globe. The literature also reveals that although the aspiration of many corporations to contribute to a better world is great, translating that aspiration into reality proves to be somewhat of a challenge.

### **Background of the Study**

#### **Corporate Social Responsibility (CSR)**

Corporate Social responsibility refers to operating business in a manner that accounts for the social and environmental impact created by the business. CSR means a commitment to developing policies that integrate responsible practices into daily business operations, and reporting on progress made toward implementing these practices.

Common CSR policies include: adoption of internal controls reform;

- ❖ Commitment to diversity in employees and barring discrimination.
- ❖ Management teams that view employees as assets rather than costs,
- ❖ High performance workplaces that integrate the views of line employees into decision making processes,
- ❖ Adoption of operating policies that exceed compliance with social and environmental laws,
- ❖ Advanced resource productivity, focused on the use of natural resources in a more productive, efficient and profitable passion and taking responsibility for conditions under which goods are produced directly or by contract employees domestically or abroad,
- ❖ Corporate Social Responsibility strategy, based on sound ethics and core values, offer clear business benefits, sustainable development rests on three fundamental pillars: Economic growth, ecological Balance, and Social progress.

Business is not divorced from the rest of society. It is but one of constituent part of society. The two are interdependent and it must be ensured, through mutual understanding and responsible behavior, that business role in building a better future is recognized and encouraged by society.

#### **Sustainable Development**

The origin of the terms Sustainable Development lies in the 18<sup>th</sup> century and was actually used in forestry. In those times, it was only allowed to cut down a certain number of trees so that a long-lasting protection of the tree population was guaranteed. This method ensured a continues supply of wood without reducing resources for forthcoming generations. The club of Rome precipitated an internal discussion due to its report- Limits to Growth (Meadows, 1972). In the course of this discussion, an eco-development approach was created which effected the protection of resources and environment coming to the fore. This development has lead to the mission statement of SD we have today. In, 1987, the World Commission on Environment and Development defined sustainable Development as an ethical concept and has become the major definition of Sustainable Development:- Sustainable Development is a development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts: the concepts of needs, in particular the essential needs of the world's poor, to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organization of the environment ability to meet present and future needs.

It contains within two key concepts: the concepts of- needs, in particular the essential needs of the world's poor, to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organization of the environments ability to meet present and future needs. Thus the goals of economic and social development must be defined in terms of sustainability in all countries developed or developing, market-oriented or centrally planned. Cited in-our common future (world commission o environment and development,1987). Elkington goes more into detail when arguing that companies should not only focus on enhancing its value through maximizing profit and outcome but concentrate environmental and social issues equally (Elkington, 1998). Therefore sustainable Development is defined as a model of triple-bottom line.

### **Corporate Social Responsibility**

Whereas the term sustainable development has mainly started to be used in the 1980's, the framework of CSR has already been established in the 1950's and 1960's.

- **Bowen** defined CSR in **1953** as one of the first as an obligations to pursue policies to make decisions and to follow lines of action which are compatible with the objective and values of the society.
- **Douglas, 2004**, in the beginning however, the term social responsibility was rather used than CSR. Social responsibility assumes that economic and legal duties of the company should be extended by certain responsibilities to society.
- **Carroll, 1979**, argues that social responsibility exists of four component such as economic, legal, ethical and discretionary expectations that society has of a company and that companies have to decide which layer they focus on.

Organizations such as the World Business Council for sustainable Development (WBCSD) actively take part in the sustainability and CSR discussion. WBCSD regard CSR as engine for the social dimension which supports companies to fulfill their responsibilities as good citizens and defines CSR as "business commitment to contribute to sustainable economic development, working with employees, their families, local communities, and society at large to improve their quality of life (WBCSD, 2006).

On the other hand European communities describe CSR as a- concept, where by companies integrate social and environmental concern into their business operations and interactions with their stakeholders on a voluntary basis.

### **Sustainability and CSR**

Emphasis on social and environmental and economic sustainability has become a focus of many CSR efforts. Sustainability was originally viewed in terms of preserving the earth's resources. In 1987, the world commission on environment and development published a landmark action plan for environment sustainability. The commission, named after former Norwegian Prime Minister Gro Harlem Brundtland, defined sustainability as "Meeting the needs of the present without compromising the ability of future generations to meet their needs". Companies are now are challenged by stakeholders including customers, employees, investors and activists to develop a blueprint for hoe they will sustain economic prosperity while taking care of their employees and the environment.

At the same time, main stream investors are being challenged to ensure that they review CSR issues when analyzing companies. The United Nations Environment Programme Financial Initiative asked one of the world's largest law firms to research whether institutional investors such as pension funds and insurance companies are legally permitted to integrate environmental, social and governance issues into their investment decision making and ownership practices. The resulting report, released in October 2005, concluded that investors were not only permitted to but also sometimes required to take such factors in to account.

“Integrating environment, social and governance considerations into an investment analysis so as to more reliably predict financial performance is clearly permissible and is arguably required in all jurisdictions”, the report conclude.

**Objective of the Study**

Over the last decades, sustainability has become very popular in modern economics. All terms such as CSR, Corporate Citizenship, Corporate Sustainability or Social Responsibility seem to go in the same direction. The present study is focused on achieving the following two major objectives.

- ❖ To find out where the focus in the sustainability discussion is and how the terms SD and CSR are defined.
- ❖ To analyse the relationship between CSR and sustainable development.

**Research Methodology**

In the present study an attempt is made to analyze the relationship between CSR and sustainable development. To fulfill the objective of the study secondary data from the literature studied concerning CSR and Sustainable Development has been obtained.

**Evaluation of Sustainable Development and CSR**

**Relationship between CSR and Sustainable Development**

CSR is an integral part of sustainable development. Exactly where it fits in is vigorously debated, mainly because the concept of sustainable development also has many different interpretations. This diagram, illuminates CSR’s relationship with sustainable development. The basic idea to incorporate the sustainability aspect into business management should be grounded in the ethical belief of give and take to maintain a successful company in the long-term. As the company is embedded in a complex system of interdependence in and outside the firm, this maintaining character should be fulfilled due to the company’s commitment in protecting the environment and reducing its ecological footprint and due to the general acceptance of its corporate behavior by society in and outside of the firm. It is recommended that CSR is to be used as social strand of the Sustainable Development concept which is mainly built on a sound stakeholder approach. CSR focus especially on the corporate engagement realizing it responsibilities as a member of society and meeting the expectations of all stakeholders.

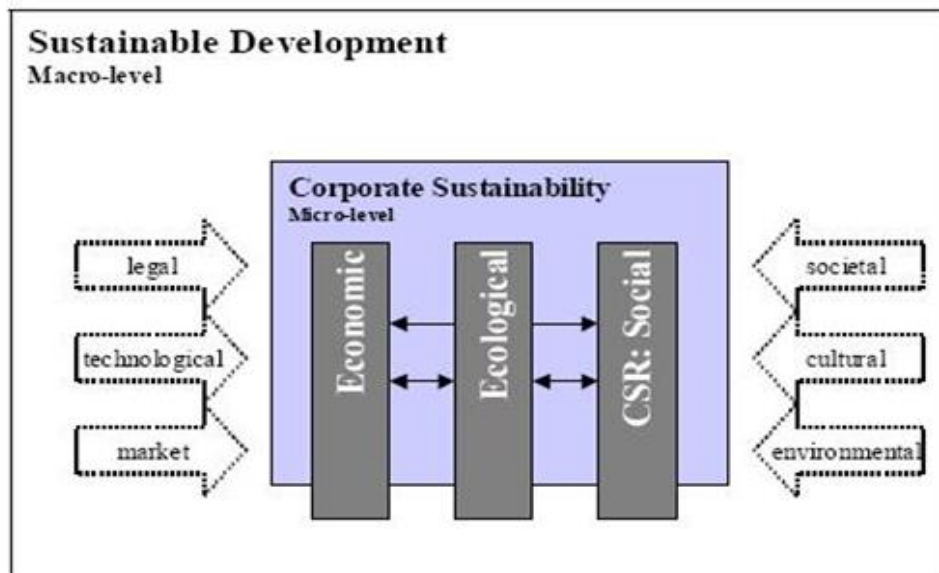


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The figure below shows the proposed framework in which SD is defined by Brundtland and the model of the triple-bottom-line as an ethical concept which offers ideas concerning sustainable orientation on a macro-level.

#### Relationship between SD, Corporate Sustainability and CSR.



The concept of SD on a corporate level is stated as Corporate Sustainability which is based on the three pillars economic, ecological and social issues, therefore, the social dimension is named CSR. The corporate orientation on sustainability is specially affected by external influences due to the specific sustainability orientation on a macro-level:

- Legal/Institutional: laws, human rights, etc.
- Technological: new technologies
- Market: suppliers, competitors, customers, trends
- Societal: NGO's, society
- Cultural: attitudes, behavior
- Environmental: nature, availability of resources

Not only does society influence the company, the implementation of Corporate Sustainability in companies also has positive effects on society in the long-term, as indicated by the grey columns which reach into the white area of figure.

For future research, it is of tremendous importance that sustainability terms are used similarly within the scientific community – and practice. This necessitates the adaptation of definitions in which the semantic meaning of CSR and related terms should be the main focus on an institutional level, within NGO's or other organizations (WBCSD vs. EU).

#### CSR is about Company Core value

According to the World Business Council for Sustainable Development (WBCSD) report for Corporate Social Responsibility; Issues which have emerged strongly from the work group are as follows:

### **Human Rights:**

Human Rights are the universal rights that every person is entitled to enjoy and to have protected. The underlying idea of such rights – fundamental principles that should be respected in the treatment of all men, women and children – exists in some form in all cultures and societies.

Such rights are enshrined in the Universal Declaration of Human Rights, adopted by the United Nations in 1948. The declaration covers two broad sets of rights: Civil and Political Rights; and Social and Cultural Rights.

WBCSD dialogue identified these sub-issues:

Female/women's rights; inter-generational equity; indigenous people survival rights; freedom from oppressive regimes; gay rights; disabled persons rights; freedom of speech.

Suggested to business that:

- Companies should publicly and explicitly express their support for human rights and provide awareness training for staff
- It is legitimate for a company to operate in all countries provided it supports human rights, creates an 'island of integrity' around its operations (employees' families and local community), and that it speaks out on these issues.
- Companies should keep human rights on the corporate 'radar'; be aware of what's happening in other parts of the world and in different business sectors, and learn from others' good practices.
- International conventions can provide valuable guidance on duties and responsibilities.

### **Stakeholder Rights:**

There is no argument that shareholders who own the company have the first call on the performance of management. But some argue that companies also have to satisfy a broader group of interested parties, commonly called stakeholders. These include not only shareholders, but also employees, customers/consumers, suppliers, communities and legislators. Such stakeholders are seen to have both influence and rights, which although different in kind and degree from those of shareholders, still demand respect.

### **Employee Rights:**

Employee rights are embodied in the International Labour Organization's Declaration on the Fundamental Principles and Rights at Work. These include: freedom of association and the right to collective bargaining; elimination of all forms of forced and compulsory labor; abolition of all child labor; and the elimination of discrimination in respect of employment and occupation.

WBCSD dialogue session noted:

- The key issue is freedom of association and the right to collective bargaining
- It should be recognized that down-sizing, mergers and layoffs will continue to happen but the process through which these corporate strategies take place is key
- It is assumed that companies will exert a higher level of social stewardship when dealing with employee rights
- A universal approach to worker rights will not work; companies must respect local customs and adjust practices accordingly. Diversity (cultural and gender) in the workplace is essential to attain better understanding and to devise best plans of action.

### **Environmental Protection:**

Protecting the environment from the impact of operations is a core responsibility. Besides their legal obligations, which differ according to region and country, corporations are seen to have a broad responsibility to protect the physical environment throughout their supply chains. They should commit to continuous improvements in eco-efficiency (doing more with less) and managing the full lifecycle of their product or service.

WBCSD dialogue session noted:

- Companies should be proactive on the environment and seek solutions that can lead to competitive advantage
- Responsible and leading companies pave the way for others but laggards ride free on such progress
- The severity or acuteness of a particular issue can create action. The non-governmental community is largely responsible for driving an issue up the \_acuteness scale.

**Community Involvement:**

Community issues cover a broad range of activities, including community assistance programs; supporting educational needs; fostering a shared vision of a corporation's role in the community; ensuring community health and safety; sponsorship; enabling employees to do voluntary work in the community; philanthropic giving.

WBCSD dialogue session noted

- Community relations should include a focus on core business impacts and interactions as well as on more traditional philanthropy
- Companies must deal with the tension between the priorities of different communities, such as those of employees and local residents
- Top management must make a sincere effort to understand community concerns and let the community know that their concerns are taken seriously by the company
- Building trust with the community demands consistency and long term commitment from the company.

**Supplier Relations:**

Supply chains are mostly complex interrelationships between a wide range of companies. Corporations can be – and are – affected by the actions of their direct and indirect suppliers. They can inherit the consequences of bad practices of those higher up the chain, such as the use of child labor and polluting production methods.

WBCSD dialogue session noted

- Traditional boundaries of responsibility along a supply chain are changing with an increase in pressure on companies to apply a full life cycle approach to their products
- Supply chain issues are highly variable depending on the industrial sector and percentage of market share
- There is a possibility that companies at the high-end of the supply chain can use their competitive positioning to influence others in the chain, especially through sectoral alliances such as the chemical industry's Responsible Care ® program
- Supplier relations should be a \_two-way street' with responsibility extending in both directions.

**Monitoring and assessing:**

Effective management of CSR demands monitoring, measuring and reporting of performance against generally accepted indicators. The systems to achieve this are still in their infancy, but much can be learned from those developed over the past decade for the management, monitoring and reporting of environmental impacts and performance. This includes systems that can be independently verified.

WBCSD dialogue session noted:

- It is not the WBCSD's role to devise new codes or guidelines, but to help in the understanding and use of existing codes.

**Conclusion**

According to the emergent literature, there is a growing awareness that business needs to manage its relationship with the wider society. Corporate leaders are responsible for their corporations'



impact on society and the natural environment beyond legal compliance and the liability of individuals. More experienced leaders can gain new perspectives on how to grow in their approach to sustainability and how to develop innovative business models. CSR is becoming a leading principle of top management and of entrepreneurs.

CEOs have long been accountable to a varied group of stakeholders – employees and communities, as well as investors. The nature of these relationships is now changing in ways that significantly affect corporate performance.

In part due to the emergence of the Internet and continuing globalization, companies are becoming accountable for labor issues and working conditions in their partners' operations as well as their own.

Organizations can reexamine their behaviors and begin their journey toward a sustainable approach that is integrated into their business strategy. And thus for CSR and sustainable development, companies must:

1. Align and incorporate CSR with business strategy and integrate it across all operational functions. Thus, making it easy to invest (not spend) the funds necessary to achieve its objectives.
2. Implement an open information strategy for more transparent information-sharing with multiple stakeholders.
3. Leverage transparency to increase the level of engagement of key constituents and customers.

When these activities are done in combination, CSR can become a dimension of a company's successful competitive strategy. Done right, it offers a company improved relationships with all of its key constituents, more loyal customers, lower costs, higher revenues and an overall improvement of the business 'standing in society.

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# HUMAN RESOURCE MANAGEMENT REVIEW: MAKING SENSE OF HR IN FAMILY FIRMS

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## Abstract

Family business researchers have felt increasing distress with the lack of understanding about how families that are their structure, relationships, emotions, and goals – shape how families manage family firms, leading to calls to more fully incorporate “family science” theories about the nature of family into research about family firms. It seems likely that families' first impact in family firms will be on how employees are treated and managed. Thus, this special issue brings together papers that offer an early glance at what is to be gained by leveraging theories about family to help explain how families influence human resource management within family firms, and how human resource management, in turn, impacts key family firm outcomes.

**Keywords:** Human resources, review, family firms, Antecedents, Moderators, And Outcomes.

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## Introduction

*“All happy families are alike; each unhappy family is unhappy in its own way.”*

*- Leo Tolstoy, from Anna Karenina*

*“Govern a family as you would cook a small fish – very gently.”*

*- Chinese proverb*

As the above quotes suggest, the governance of a family and by extension family firms is complicated. Family firms are the most common type of organization in the world, and they differ considerably from non-family firms in their goals, behaviors, and outcomes. They pursue unique goals, such as the desire to pass the firm to the next generation and their unique goals regularly nurture distinctive behaviors. For example, while family firms regularly hire family members, they are also less likely to fire employees-even during economic downturns (Block, 2010). Although research on human resource management (HRM) in the context of family firms is still relatively scarce, the few existing studies support the idea that family firms differ substantially from nonfamily firms, as well as from each other, in their human capital management, compensation and compensation systems, performance appraisal, knowledge transfer, organizational citizenship behavior, and workplace justice perceptions. Despite a growing number of important insights describing how HRM in family firms differ from non-family firms, as well as from each other, theory is only beginning to emerge to explain how these differences emerge and how they shape important outcomes in family firms. One reason for the absence of research on the topic is that scholars have not paid sufficient attention to the connection between families and family firms' HRM practices. Indeed, family business researchers have felt “growing discomfort” with the lack of understanding of the family in the family business context.

Because it is not known how families' diverse structures, family-member relationships, family goals, and emotions affect HRM. Practices, the effect of families on family and non-family employees' psychological contracts, organizational citizenship behavior, workplace deviance, or any other factor known to impact organizational processes and outcomes remains largely in a black box. Fortunately, we do not need to start from scratch to generate theory that explains differences among families and the ways

in which these differences might influence HRM practices and their outcomes in family firms. Researchers from education, psychology, and sociology have already done much and summarized it under the heading: “family science.” However, despite several calls for increased research, theory building that leverages family science theories in the context of family firms remains in its infancy. This special issue, therefore, takes a step toward leveraging family science research to explain how different elements of family might influence HRM within family firms, and how HRM might, in turn, impact key family firm outcomes. Building upon the small number of studies, mostly from HRM and organizational behavior and family business, we are proud to present seven papers that provide novel theory to explain different ways families can shape HRM and how HRM, in turn, can affect family firms.

### **SUMMARY OF CONTRIBUTIONS**

The seven papers in this special issue can be divided according to whether their focus is on A. Family as Antecedent to HRM, Relationships among Family and Non-Family Members, and C. HR Practices Unique to Family Firms. We summarize each of the papers below:

**Family as antecedent to HRM:** The three papers in this group draw from family science research and research on imprinting to describe different family attributes as antecedents that influence HRM and other outcomes in family firms.

The paper by Kidwell, Eddleston, and Kellermanns begins with the observation that researchers often attribute a “positive halo effect” when describing how founders imprint processes and behavioral norms on firms. The authors observe that, especially in the family firm context, it seems likely that imprinting can also be harmful. In particular, they explain that business families are known to promote behaviors and values such as entitlement, preferential treatment, and parental altruism that can be positive, or at least normal, within family dynamics, but that harm the family firm when allowed to metastasize into the organization’s culture. Using cases to illustrate, they describe how negative behaviors that have their (1) genesis in the family firm undergo a (2) metamorphosis via imprinting and learning that (3) manifests in destructive outcomes for the family firm. They suggest, in particular, how “negative imprinting” yields less formal and easily manipulated HR processes. The good news is that negative imprinting is not determinative. The authors describe how each generation might “reimprint” the family firm with new habits and cultural values that break the cycle.

In the second paper in this group, Daspit, Madison, Barnett, & Long adopts the circumplex model (Olson, 2000) to explore the source of bifurcation bias via HR practices. Bifurcation bias is when family-member employees are treated differently from nonfamily employees. Specifically, the authors apply Olson’s (2000) description of unbalanced family structures to explain how biased HR practices emerge that support favoritism toward family-member employees over non-family member employees. This is a problem because biased HR practices can result in biased selection and pay practices, among others, which can hurt the firm’s performance. They describe four unbalanced family types from the circumplex model and describe how each relates to corresponding types of imbalance in HRM systems. Balanced family systems, in contrast lead to HRM systems in family firms that are largely absent of bifurcation bias. Despite the negative implications of bifurcation bias, the authors describe ways that it can actually favor the nonfamily member employee, which is a novel perspective regarding the effect of family dynamics on HRM in family firms.

The third paper in this group is by Hedberg and Luchak and draws on John Bowlby’s (1973) theory of human attachment to describe how different family-firm founders’ early experiences related to bonding and attachment shape their objectives with respect to socio-emotional wealth. They suggest, for example, that founders who develop “avoidant” attachment styles (due to unmet attachment needs) are more likely to focus on maintaining close control as a central socio-emotional wealth objective. Socio-

emotional wealth objectives, in turn, shape adopted HR principles, HR strategy, and the implementation of specific HR practices in family firms.

This paper is one of the first attempts to tie founders' early experiences in the family to their objectives and behaviors in the family firm, and to link such objectives and behaviors to consequences that affect non-family employees.

**Relationships among family and non-family members:** The two papers in this group draw on social exchange theory (SET) to explore different family- non-family interactions. Dhaenens, Marler, Vardaman, and Chrisman examine mentoring in family firms by recognizing that there are many different kinds of mentor-protégé combinations depending on whether someone is a family member or a non-family employee. They build on this observation and SET to explain how different mentor-protégé combinations yield different types of protégé commitment. When both are family members, for example, they suggest that pro-social mentoring will generate greater normative commitment among protégés. Switch the protégé to a non-family member, however, pro-social mentoring continues but the purpose is to foster affective commitment. This paper offers a more nuanced view of mentoring by demonstrating the range of organizational commitment outcomes that can result from different family non-family combinations. Waldkirch, Nordqvist, and Melin draw on Lawler's (2001) affect social exchange theory and apply it to the triad of key family leaders that includes the non-family CEO, the older generation family owner, and the next generation family owner. The authors explain how different types of social exchanges among triad members under different conditions affect the probability of non-family CEO turnover. When triad members are balanced in terms of strength and dependence, they expect non-family CEOs to feel attached and less likely to leave. When the relationship is imbalanced, however—because the next generation is just entering or the current generation is clinging to power – whether the non-family CEO remains attached and committed will depend on the nature of the social exchange. The authors summarize Lawler's (2001) four basic exchange types – i.e., generalized, negotiated, reciprocal, and productive – and describe how each kind of imbalance affects nonfamily CEOs' attachment under each exchange type. By introducing social exchange to this context and expanding the conversation to include the next generation, the authors are able to offer detailed predictions about when non-family CEOs are most likely to search for employment elsewhere.

**HR practices unique to family firms:** The final two papers both start with a known HRM difference between family and non-family firms –i.e., bifurcation bias and nepotism – and attempt to explain how heterogeneity among families leads to differences among family firms in the way they manage these unique HR practices and the resulting consequences. Bifurcation bias occurs in family firms because it is difficult for family owners not to treat family and non-family employees differently. The paper by Jennings, Dempsey, and James draws on the stepfamily analogy to explore the origins and consequences of bifurcation bias. The authors explain that if bifurcation biases are present, they can favor either family or non-family employees, and the direction of such biases may differ across HR practices. In the paper, the authors develop a typology of bifurcated HR practices in family firms and suggest potential moderators that might attenuate the potentially negative outcomes of biased HR practices. In particular, they argue that, rather than ignoring bifurcation biases, families need to be aware of and communicate openly about them. The authors introduce the concept of 'bivalent bifurcation' – which is where family employees are favored in some HR practices while nonfamily employees find advantages in others – and suggest that bivalent bifurcation can be superior to eliminating or ignoring bifurcation bias. This paper is important because it develops theory on the origins and consequences of different bifurcation biases that exist simultaneously in the HR practices of a family firm. Finally, nepotism is the practice of giving employment opportunities to relatives. Although its practice is common in family firms, it has often been characterized negatively because it undermines the values of merit and

diversity in HR decisions. The Firfiray, Cruz, Neacsu, and Gómez- Mejía paper takes a “mixed gamble” perspective wherein nepotism affects outcomes as part of family’s current socio-emotional wealth (SEW) endowments and as a factor affecting future financial wealth. They distinguish among different SEW goals and explain why nepotism varies among family firms depending on the SEW goals the family most desires.

Specifically, families focused on maintaining “influence and control” and those seeking “renewal of family bonds” will engage in more nepotism than those seeking “family identification” as the central SEW outcome. Nepotism, in turn, interacts with environmental conditions and the focus of the HR system (in terms of ability- motivation- or opportunity enhancing) to influence firm performance. The paper is important because it engages with the heterogeneity of families with respect to this important HR practice, and shows how nepotism interacts with the HRM system.

### OUTLOOK AND CONCLUSION

Despite emerging insights on the uniqueness of HRM practices among family firms, we still lacked theory on how family structures, relationships, emotions, and goals shape the evolution of HRM in family firms and how HRM, in turn, influences key outcomes among family firms. With this special issue, we took an important first step toward filling this gap. Specifically, the papers in this special issue take important steps toward providing answers to the following three broad questions: First, what are the family-based antecedents of HRM in family firms? Second, how do family members interact with non-family employees in the family business? And third, how do families manage HRM practices that are unique to family firms, and toward what organizational consequences? Taken together, the seven following papers shed light on the family based origins of HRM in family firms, their consequences – good and bad – and mechanisms for families to deal with the uniqueness and complexity of their HRM. We hope that the paper offer a modest step toward new family-based theories of HRM in family firms and spurs more research on the topic. In this context, the Special Issue culminates with an interview that two of the Special Issue Editors, Peter Jaskiewicz and Jim

Combs, conducted with Gary Powell and Jeffrey Greenhaus. These two influential scholars have helped draw researchers’ attention to the work family interface. They have done much to explain how employees bring their home-life into the workplace and vice-versa, and described ways that employees manage the interface between the two. Family business is a unique domain because when these owner managers bring their home life into the workplace, the impact is magnified throughout the firm. We asked about emerging trends in the workplace, among families, and the interface between them, and together we draw implications that might help family business and HRM scholars identify important questions that merit time and attention.

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# HUMAN RESOURCE MANAGEMENT THROUGH IT

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## **Abstract**

In nowadays top leaders fully realize the power of information technology (IT) tools for reaching business targets. The utilization of IT tools help not only to fulfill defined company's goals but to optimize the work processes as well. Trends and results of the contemporary studies constantly confirm contribution of the IT tools in Human Resources (HR) area i.e. to accomplish assigned HR tasks by using the source of IT capabilities. The following paper gives a brief overview about possibilities of IT usage in HR field for measuring and tracking human capital and using the HR information system generally. Managed information technology all science can influence and establish a relationship with the complex among the important role has played in all scientific fields. Information technology has caused today no boundaries and distance world, for circulation there is no information and all aspects of human societies. Like how to live, work and Human Resource Management in organizations, offices and unexpected extent. The subject has been these changes will be effective when the domain ICT activities identified and the creation of these activities will be provided. In this paper, a brief review the impact of technology information the Human Resource Management the business objectives of the organization and satisfaction of employees has been set.

**Keywords:** Human resource management, information technology, and manpower management

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## **Introduction**

Social and organizational changes in the economic environment are numerous and extensive. According to that, it is important for human resource management (HRM) to be comprehensive, high in quality, fast, flexible and in line with upcoming trends, because it is one of the parameters of successful business. Use of information and communication technology becomes an imperative for HRM, as well as the other activities in the company. Today all company realized that human resources are their greatest capital for the growth of the organization. The process of growth and development without human involvement is meaningless because human is the target and also means of achieving progress. The bases of human resources development are the presence of new and experimental information and the information is a rational process called information technology (IT) that can help to create and build up new strength in human resources. One of the main factors affecting nowadays is company and worker is changing according to new technology. Today's information technology has shown continuous development. Technology and HRM have a wide range of impact upon each other and therefore human resource professional should be eligible to adopt technologies that allow the reengineering of the HR action, be prepared to maintain organizationally and work project changes caused by technology, and be able to maintain a proper managerial climate for innovative and knowledge-based organizations. Information and communication technologies (ICT) an umbrella term for technologies combined with the internet, new media (social media), mobile communication and computers allow the organization to renovate their internal processes, structures, core competencies and relevant markets on a global scale. Information and communication technologies (ICT) are running throughout each sector of the economy and have implications for almost every enterprise.

### Overview of Manpower Planning Process

Forecasting of staff requirements is well established in Human Resource Management vocabulary. It is assumed that manpower planning (human resource planning) has influence on companies' performance because whatever businesses do, they cannot ignore the human aspect. Therefore, Armstrong seems to suggest that manpower planning contributes to organizations earnings/returns by reducing costs, employees training, associating with modern environmental and technological changes are several considerable advantages of human resource planning. By observation, a considerable number of management challenges may be resolved through the recruitment of capable employees. This HR activity cannot be overlooked in any established enterprise. They indicated that staffing enables companies to know current employees strength in order to predict for the future.

**Training and Development:** Usually done to beef up employees capabilities to meet current business trends. This HR activity is enforced often after conducting performance appraisal. By this means, training and development might assist management to identify labor deficiencies, if any, in the company.

**Career Development:** Career development appears to be a crucial HR exercise which project into the future. This practice seems to endorse succession planning principles to guarantee the enterprises continual existence. Career development gives employees the chance to upgrade themselves for mutual benefit. This HR activity creates the platform to either add to the number of employees or lessen the size.

**Downsizings:** Management decision with respect to upcoming downsizing should be reported to officers to prevent any operations interruption.

### Evolution of Human Resources Technology

HR technology can be defined as any technology that is used to attract, hire, retain, and maintain human resources, support HR administration, and optimize HRM. This technology can be used in different types of human resource information systems (HRIS) and by various stakeholders, such as managers, employees, and HR professionals. This technology can be accessed in different ways. There is no doubt that technology has made it easier and faster to gather, collate, and deliver information and communicate with employees. More importantly, it has the potential to reduce the administrative burden on the HR department so it is better able to focus on more meaningful HR activities, such as providing managers with the expertise they need to make more effective HR related decisions. Research has indicated that companies who effectively use technology to manage their HR functions will have a significant advantage over those that do not.

### Human Resource Role in Information Technology Recruiting

In nowadays, managers realize that human capital has become the last competitive benefit and IT recruiting can broadly support efficient hiring together with forming the workforce. In order to attract the best candidates, it is vital that both HR and IT departments cooperate together. The HR role in IT recruiting is of key importance, including time of crisis. The "war of talents" carries on, despite the current crisis. The HR IT tools can support hiring and retaining a high potential. It begins with launching the career website what is a very good promotional tool. Employer can present all necessary information related to job, careers or personal development of each applicants there. The career website should focus not only on potential employees, but target group should also include the students, graduates or school pupils in order to have a possibility to "raise" new employees for the future.

### Human Resources Management and Employability

The Human Resources (HR from now on) function currently finds itself in an unprecedented situation. According to some authors, this function has already experienced numerous changes and has gone a long way. This is obviously true and so far, it has been adapting to the changes occurring in its environment, mainly because those changes were slow and, to some extent, foreseeable. However, the opposite happens now; the speed at which changes are occurring is increasingly high and the course the

business world is taking is also more and more unforeseeable. This is why HR managers will not only have to make mere adaptations, but face true organizational transformations.

### Conclusion

Globalization brings the requirement to think how IT can contribute to fulfillment of business strategy in the frame of Human Resources Management in order to steer the business towards excellence and reach competitiveness in the market. Despite the fact questionnaire revealed that information technology sustains reaching the HR goals moderately, precise plan of implementation of HR information system can significantly support HR strategy in the company to attain defined key performance indicators (KPI). The project should mainly contain what has to be achieved it means how IT tools can support the KPI and which kind of HR processes IT tools should sustain. The research will be extended by further survey. It is clear from all the dissection that information technology benefits internal operations of the organization to a large extent. Use of computer, printer, and fax machine, telephones, robots etc. helps in the movement of information very quickly. With the help of information technology, HRM plan is made more quickly and job performance becomes effective. Information technology is a set of software and hardware for employee and organization and plays important role in the human resource development. Information technology has an influence on all the sector of human resources management in terms of planning and management, recruitment, training and development and maintenance functions.

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# A REVIEW ON GREEN HUMAN RESOURCE MANAGEMENT

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## Abstract

Across the world, growing industrialization has led to the need for employee motivation and engagement, employee retention, increasing the brand value and reducing labour turnover on the one hand and on the other hand increasing environmental hazards and ecological imbalance has made the stakeholders to be desperate towards environmental sustainability. Hence business territory intellectually expanded the role of human resource management function in accordance with environmental sustainability through Green HRM. The paper intends to explain the concept of Green HRM, advantages of implementing it, companies' policies and practices and effects of Green HRM on its substitutes.

**Keywords:** Environmental sustainability, HRM, Green HRM, CSR

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## Introduction:

The recent interest of 21<sup>st</sup> century is environmentalism. The weapon used by corporates to attain success in the corporate sphere and to increase the profit by concentrating on social cause and environment protection as part of CSR. The concept of “go green” emerged to take initiative by organization also to involve in such practices and also the international standards for environmental protection and preservation necessitated the business organization to fabricate environment-friendly strategies. In this context, application of numerous methods of recruitment and selection of employees, training and development and appraisal system based on the performance of employees are concerned with environment. In fact the human resource function can be renamed as “People and Society” (Mandip, 2012).

## Literature review

**(Green HRM- A way to greening the environment, Dec 2015, Deepak Bangwal, Prakash Tiwari)** Here the researcher has explained the green HRM efforts result in increased efficiencies, sustainable use of resources, less wastage, improved job related attitudes, improved work/private life, lower cost, improved employee performance and retention.

**(Green HRM: Practices and strategic implementation in the organisation, Nov 2014, Sushma Rani, Dr. K. Mishra)** The researcher has attempted to focus on the responsiveness and implementation of Green HR practices in organizations and has analyzed the literature on green HRM and few green practices and presented a model in green HRM. The study has also helped the researcher to identify the areas like training and development, performance appraisal system and some regular activities where non implementation of this concept of Green HRM takes place.

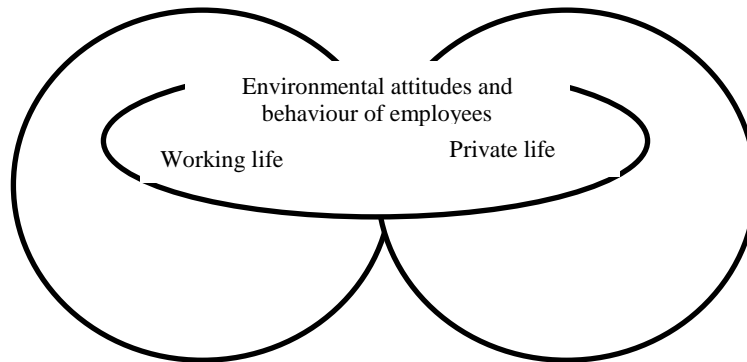
**(Green Human Resource Management: A theoretical review, June 2016, Md. Sajjad Hosain, Md. Sadiqur Rahman)** The researcher has focused on understanding and implementation of scope and depth of Green HR practices and suggested that the firms should integrate the green issues and practices into the regular day to day HRM activities and also into the strategic HR decisions and corporate policies.

## Concept of Green HRM:

- **GO GREEN:** Going green means conservation of earth natural resources as well as supporting the “preservation of your person resources” i.e., your friends, family, lifestyle, communities. So that we called Green HRM is the Conservation of Human Resource their work life and family life (Deepak and Prakash, 2015). Going green means adopting the practices that will impact positively on the

environment, which will help to sustain and protect the resources for current and upcoming generations.

- **Sustainability:** Sustainability is the ability to be maintained at a certain rate or level. It is the avoidance of the depletion of natural resources in order to maintain an ecological balance and it is also the process of maintaining change in a balanced environment, in which the exploitation of resources, the direction of investments, the orientation of technological development and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspirations.



**Fig 1: environmental attitudes and behaviour as composition of experiences gained in working life and private life, Sources: Viola Muster and Ulf Schrader (2011).**

- **Environmental sustainability:** environmental sustainability is defined as responsible interaction with the environment to avoid depletion or degradation of natural resources and allow for long-term environmental quality.
- **Green HRM:** Green HRM is the use of human resources management policies to promote the sustainable use of resources within business organizations and more generally, promotes the cause of environmental sustainability (Mandip, 2012). The purpose of going green is to use the products and methods that would not negatively impact the environment through pollution or depleting natural resources (Robbinson, 2008). Green HRM was coined as a term almost 10 years ago by Renwick, D.W.S. Redman, T. and Maguire S. The term Green HRM can be explained as environment-friendly human resource policies and practices adopted in the organization for sustainable use of available resources. For example: There are also HR policies in some companies that reward the employees' environmentally friendly behaviour.

Why Green HRM?

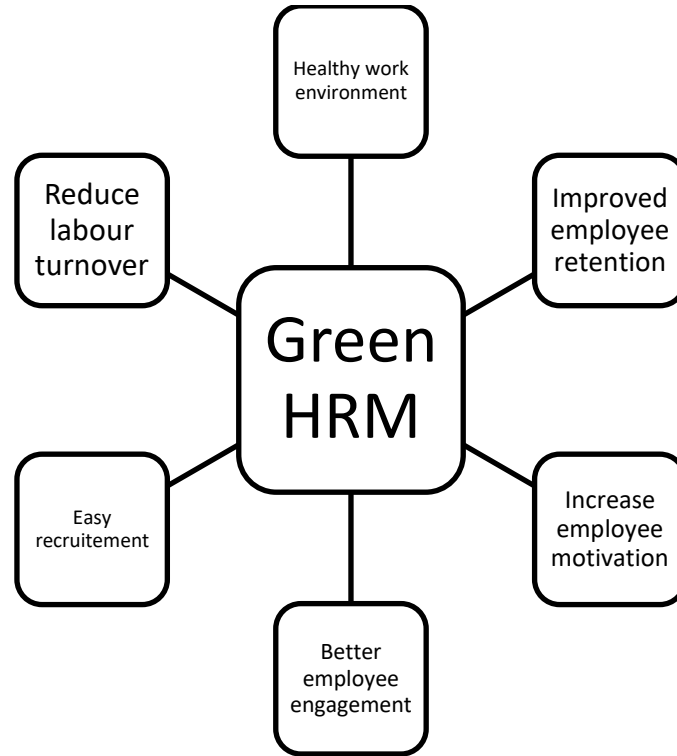


Fig 2: Some of the major benefits of Green HRM to the Organisations.

**Objective of the Study:**

- To study the concept of Green HRM in more comprehensive manner.
- To study the practices and strategic implementation of Green HRM in the organization.
- To review the effects of Green HRM on HR substitutes.

**Data and Methodology**

With the view to effectuate the vital objectives recorded above, the current study adopted Archival method of literature review so that it entitles the researcher to structure the research, find gaps, scope for further study and authentic knowledge base in this field(Tranfield et al., 2003; Renvick et al., 2008). The review has been conducted on the articles published on Green HRM from 2010 to 2016. The limitation of the study is that only the articles published and available online have been scrutinized for the study.

This research paper has examined the literatures on green HRM practices and policies adopted by Organisations and scrutinized the model of green HRM. The human resource managers have to adopt these green HRM practices in the performance appraisal system, recruitment, selection, compensation and rewards, training and development and also other practices. As the Green HRM is the most emerging trends which each organisation has to adopt as it improves the business brand and social image and as the CSR is compulsory for every private sector through adopting the green practices in the organisation it would increase their CSR activities.

**Effects of Green HRM on HR substitutes:**

- **Green Recruitment:**

Green recruitment is a process of recruiting new talent who are aware of sustainable process, environmental system and familiar with words of conservation and sustainable environment (Deepak and Prakash, 2015). In the U.K., environmental issues has impact on recruitment, as survey data show that high achieving graduates judge the environmental performance and reputation of a company as criteria for decision making when applying for jobs (Wehrmeyer, 1996 as cited in Renwick, et al., 2008). Therefore sustainable development issues must be integrated into the recruitment process. This involves monitoring the long term competency requirements for the company, providing new employees with information about sustainable development policies and commitments, using recruitment procedures which support the equitable representation of applicants and recruits in terms of gender, age, racial and ethnic groups, sexual orientation, disabled people and other relevant groups. A survey by the British carbon trust shows over 75% of 1018 employees considering working for a firm see it as important that they have an active policy to reduce carbon emission (Mandip, 2012).

Some of the Green recruitment practices are including environmental criteria in the recruitment messages, communicating the employers concern about greening through recruitment efforts, expressing the preference of the organisation to recruit candidates who have competency and attitudes to participate in corporate environmental management initiatives too in the recruitment message and reflecting environment policies and strategies of the organisation in its recruitment policy (Anton, Opatha and nawaratne,2015).

- **Green Selection:**

In the selection context, when making selection for the job vacancies some companies consider candidates environmental concern and interest as selection criteria. When interviewing candidates for evaluating them for selection, environmental related questions are asked by those companies (Wehrmeyer, 1996). Some of the green selection practices are selecting applicants who are sufficiently aware of greening to fill job vacancies, selecting applicants who have been engaging in greening as consumers under their private life domain, while interviewing candidates, to ask environmental related questions etc.(Anton, Opatha and Nawaratne, 2015).

- **Green Training and development:**

Employee training and development programs should include social and environmental issues at all levels. Green orientation programs for the newly hired employees should be an integral part of the training and development process. They should inform the employees about the green procedures and policies including the vision/mission statement of the company, the sustainability oriented benefits, company-wide initiatives like reducing green house gases, creating green products etc. It is suggested that green teams can be established in each department, producing general awareness and specific training in EM designed to increase personal ownership and shift staff to taking personal action (Mandip, 2012). Similarly Daily et al., (2007) was conducted survey among 437 employees and the result of the survey shows that the formation of effective green management system was

directly dependent on environmental training (Deepak and Prakash, 2015). Examples of company environmental training in Britain include those at Carson Office Furniture Systems, Ready-Mixed Concrete, Rolls-Royce, Albion Group etc. (Main uddin and Rabiul Islam, 2015).

Some of the practices of green training and development are providing training to the staff to produce green analysis of workspace, conducting training needs analyses to identify green training needs of employees, providing environmental education to the workforce and imparting right knowledge and skills about greening to each employee through a training program exclusively designed for greening (Anton, Opatha and Nawaratne, 2015).

- **Green Performance Management:**

Performance management is an ongoing process of communication between supervisor and an employee that occur throughout the year, in support of accomplishing the strategic objectives of the organisation (Deepak and Prakash, 2015). Firms like TATA Group of companies have installed corporate-wide environmental performance standards ( which cover on-site use, waste management, environmental audits and the reduction of waste) to measure environmental performance standards and developing green information systems and audits ( to again useful data on managerial environmental performance) (Mandip,2012). One way in which performance management systems can be successfully initiated in an organisation is by tying the performance evaluations to the job descriptions mentioning the specific green goals and task. HR systems such as e-HR can be introduced to be able to help management and employees track their own carbon emissions (Mandip, 2012).

Some of the green performance evaluation practices are establishing Environmental Management Information System (EMIS) and environmental audits, setting green targets, goals and responsibilities, integrating green criteria in appraisal and providing regular feedback to the employees or teams to achieve or improve environmental performance (Anton, Opatha and Nawaratne, 2015).

- **Green compensation and reward:**

Compensation and reward are major elements of HRM process, this element is the most important for maintaining employee interest to that of the organisation. The reward policies are focused on attracting, retaining and motivating the employee which led to the achievement of the organisation goal (Teixeira et al., 2013). Green compensation and reward is another potentially powerful tool for supporting environmental management activities this may help to make efforts for the attainment of environmental goals (Millimal and Clair, 1996). Attainment of specific environmental initiatives should be integrated into the compensation system by offering employees a benefit package that rewards employees for green performance. Monetary-based environmental reward system have been developed an important proportion of monthly managerial bonuses are dependent upon performance outcomes in environmental management (Millimal and Clair, 1996). In the U.S., companies such as Du Pont base their executive compensation and bonus system for middle managers and senior officers in part on environmental stewardship practices, where bonuses can be over 10% they develop an environmentally benign pesticide for agriculture or a non-polluting product (May and Flannery, 1995; Snyder, 1992).

Some of the green reward management practices are rewarding employee environmental performance (good/excellent and extraordinary), financially and non-financially rewarding for employee good environmental performance and team excellence awards for better environmental performance (Anton, Opatha and Nawaratne, 2015).

**Conclusion:**

Based on this review it is possible to conclude that Green HRM practices are very essential for every organisation to grow successfully in the coming future. As the environment depletion is increasing day by day, it becomes important for the organizations to concentrate on environmental sustainability. The number of organizations adopting Green HRM is very few, therefore it is very essential for majority of the organizations to greening their HR policies. If the organization adopt Green HRM it is fruitful in two ways, on one hand it contributes to the environment and natural resources for future use and on the other hand it helps the organization to retain the employees, motivate them, improve public image. It concentrates on greening the main HR substitutes like recruitment, selection, training and development, performance management and compensation and reward. This review suggest that not only greening the HR policies but also greening the working environment, check whether the formulated policies are implemented properly and take corrective actions frequently. The academicians can contribute by carrying further research in this area revealing addition data that can create knowledge base on green management in general.

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# EMPLOYER BRANDING IN STRATEGIC MARKET

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## Abstract

The paper deals with the concept of employer branding, which is very important to follow, as an employer brand represents the core values of an organization. Organizations considered good employers have a strong identity and a positive image in the marketplace. To be successful, organizations need to attract the employee market. Marketing tools associated with Brand Management have been applied by the HR (Human Resources) in order to attract, engage and retain employees in the same way as marketing applies such tools to attract and retain customers. Employer branding is central to the concept in HR Marketing. It defines the personality of a company as a preferred employer. The employer brand is the most powerful tool for attracting, engaging and retaining the right talent or culture fit that will help leaders grow their organization. Like any brand, Employer brand management expands the scope of this brand intervention beyond communication to incorporate every aspect of the employment experience and the people management processes and practices that shape the perceptions of existing and prospective employees. Employer branding is the response of Human Resources Management to the particular market circumstances. Very important factor in achieving employer branding objectives is to have a clearly defined employer brand strategy. Regarding the career seekers in the field of engineering, potential hires find companies that are innovative, produce exciting products and offer exciting services.

**Keywords:** Employer branding in strategic market, HR department, Hiring, employer branding objectives.

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## Learning Objectives

- ❖ By the end of this module, students will:
- ❖ Be familiar with emerging recruitment and retention strategies (i.e., employer branding and targeted retention).
- ❖ Understand recruitment as a strategy for organizational success.
- ❖ Recognize the need for organizations to build an employer brand when recruiting employees.
- ❖ Be aware of the effects of a multigenerational and diverse workforce on retention strategies.

## The word 'Employer Branding' may be split up as;

Employer Branding = 'Employer' + 'Branding'

'Employer' means a person or an institution that hires people.

'Branding' means a strategy that allows an organization to differentiate itself from competition and in the process, to bond with their customers to create loyalty. Thus, a position is created in the marketplace that is much more difficult from the competition to poach. A satisfied customer may leave, but a loyal customer is much less likely to leave.

Just like any other brand, an Employer Brand has value and positioning. Employer branding is critical to build an image in the minds of potential employees and market the company as a 'great place to work'. The objective of Employer Branding is quite simple. It is a strategy employed by an organisation to create an Employer Value Proposition (EVP) that conveys to desired current and prospective employees why the organisation is unique, appealing and a fantastic place to work in.

Employer Branding gains tremendous importance in times when the talent pool is shrinking and is becoming increasingly difficult to attract and retain talent. It then becomes critical to position the

organisation in the minds of the target audience to give it every possible advantage in attracting employees with superior skills and knowledge - a primary source of competitive advantage for any organisation.

#### **Definitions of Branding and Employer Branding**

To investigate the phenomena of EB and in what way and why it is used in HRM, it needs to be defined. EB has its foundation in branding (Morocco & Uncles, 2008), why an initial definition of a brand is also necessary. Kotler (1991) defines a brand as “a name, term, sign, symbol, or design, or a combination of them which is intended to identify the goods and services of one seller or group of seller and to differentiate them from those of competitors” (Kotler, 1991:442).

The definition has primarily been used to describe product brands and the consumer’s relationship to the focal product brand (Mosley, 2007).

But according to recent marketing literature a brand has great impact on the company as an employer and how external stakeholders identify the organization, the corporate brand and the firm as a future workplace (Davies, 2008; Foster et al., 2010; Gaddam, 2008).

There is a clear emotional relationship between the employer and the employees based on brand image (Davies, 2008; Gaddam, 2008).

"Employer Branding establishes the identity of the firm as an employer. It encompasses the firm's values, systems, policies and behaviours toward the objectives of attracting, motivating, and retaining the firm's current and potential employees." (The Conference Board: 2001)

#### **Characteristics of Successful Employer Brands**

EB can be used by HR as an instrument in the recruitment process to attract and recruit suitable people to the organization (Barrow, 2008). However, for the employer brand to be a competitive advantage, it needs to fulfil some criteria. Morocco and Uncles (2008) claim there are similarities between EB and other types of branding, such as product branding and corporate branding and they characterize successful brands by attractiveness and accuracy, which they claim is also applicable on successful employer brands. This implicate that a strong employer brand is characterized by being known and noticeable, relevant and resonant, and differentiated from its competitors (Morocco and Uncles, 2008). Between the employer and the employee there is a psychological contract, and the expectations regarding obligations for both parties are settled during the recruitment process (Backhaus and Tikoo, 2004). The employer is supposed to offer and provide the employee training and development, in exchange for the employee’s performance. If the psychological contract is fulfilled a high degree of loyalty and engagement of the employee towards the firm is more likely (Morocco & Uncles, 2008) and according to Backhaus and Tikoo (2004) loyalty and commitment to the firm increase productivity. Maxwell and Knox (2009) discuss that the attributes employees consider important for their employers vary between different companies. However, there are categories of attributes that affect the attractiveness of the firm. Employment is one category that strongly affects the perceived attractiveness by current employees, which includes work environment, relations, management style, rewards, type of work and attributes of workforce (Maxwell & Knox, 2009).

#### **Implementation of the Employer Branding Strategy**

All interviewees highlighted the significance of a consistent and well thought through EB strategy. According to the respondent at Castor Consulting many firms make the mistake of starting with an external communication without having any advocacy from the organization as a whole. The HR Executive at Aramis answered the question on what one would have done differently if recommencing the company’s EB strategy today with “the opposite of what we [at Aramis] did”. The HR Executive goes on by explaining the first assignment of increasing the workforce and that the first step taken was to turn to media and the outside world in order to increase knowledge of what was expected of a good employer.



Today they would do the opposite and make the process more effective and the implementation faster by turning to the existing employees and ask them what they expect and demand from Aramis as an employer. The story corresponds with the approach Athos had when it entered the Swedish market and established a new business. The strategy was not to immediately recruit new employees, but instead to localize their strengths and uphold and nurture their existing organization and maintain their client base. In contrast to Aramis and Porthos, Aramis analyzed what its employer brand could, and should, represent with the help of an outside EB bureau. It was important not to beautify reality and not to promote an employer that did not match the actual firm. When the desired employer brand was mapped out, the firm started to recruit new employees. “Our fundamental analysis prevented us from the need of re-inventing the wheel but instead just developing the employer branding strategy”

Employer branding and its influence on employee retention:

**The essence of employer branding**

The process of intentional development of the employer brand is called employer branding. In the literature employer branding is defined as:

- Development and communication of an organization's culture as an employer in the marketplace. It is the package of functional, economic and psychological benefits provided by employment and identified with the employing company.
- A targeted long term strategy to manage awareness and perceptions of employees, potential employees and related stakeholders with regards to a particular firm
- A process of building an identifiable and unique identity of the employer
- The efforts of the organization in communicating internal and external stakeholders of what makes it both desirable and distinctive employer
- Attracting talented people to the organization and ensuring that both existing and potential employees will identify with the company (its brand, mission) and deliver the desired by the company results.
- An agreement under which the offer of the employer (manifested in organizational goals, values and initiatives that build trust in the employees) and counteroffer from employees (in the form of a high level of engagement and low retention) are matched.

**How to build employer brand?**

- a) Creation of an employer brand representing a specific employee value proposition, which is to communicate what the organization has to offer to employees.
- b) External marketing of employer brand – the company directs the message to the labor market – for candidates, recruitment agencies and other target groups.
- c) Internal marketing – its aim is to develop human resources, which will adhere to the values and pursue the objectives set by the organization.

**Part 1: Recruiting**

After an introduction of the business challenges to employers when valuable employees leave, Part 1 discusses the factors that attract qualified applicants to apply for a job with a particular organization. It opens with the research on attractiveness dimensions and discusses employer branding as a strategy to improve recruiting effectiveness and efficiency over the long term. An award-winning branding campaign is reviewed. Finally, students are assigned an activity designed to integrate

**Part 2: Retention**

This part of the course begins with a discussion about Google, acclaimed as being a great place to work and noted for its generous employee perks and retention strategies. The video provides a nice transition to the research findings on factors that affect an employee's decision to stay with an organization and the implications of these findings. Next, the effect of a multigenerational workplace is

introduced through an engaging “60 minutes” video clip. The module concludes with examples of organizations that have recognized the business need to change their workplaces.

### **Introduction**

The term “Employer Brand” was first used in the early 1990s to denote an organization’s reputation as an employer. Employer brand is understood as a brand which differentiates it from other competitors in the employment market. The term also includes long term strategy that establishes an organization’s identity as an employer in the employment market. Ambler and Barrow define employer brand as follows: “The package of functional, economic, and psychological benefits provided by employment, and identified with the employing company”. Minchington defines employer brand as “the image of organization as a great place to work in the mind of current employees and key stakeholders in the external market (active and passive candidates, clients, customers and other key stakeholders). The art and science of employer branding is concerned with the attraction, engagement and retention initiatives targeted at enhancing company's employer brand. There is a proven relationship between excellence in key components of employer branding and the level of market premium organizations enjoy. Harris considers the main components of employer branding are employee engagement, employee communication, training and development, and external reputation. Nowadays, the global employer-branding leader in the market is called Universe. Universe drives the industry forward having focused exclusively on employer branding (EB) for over 20 years. In September 2010, Universe presented the world’s Top 50 most attractive employers. Universe releases the global talent attraction index: “The World’s Most Attractive Employers 2010”, based on close to 130,000 career seekers (students of top academic institutions chose their ideal companies to work), with a business or engineering background. Employer branding is an effective marketing tool that helps organizations in projecting their distinct image in the minds of potential applicants and positioning them as an employer of choice. Recently, organizations are increasingly participating in various best employer surveys (BES) to project themselves as great places of employment and subsequently attracting larger and better talent from the labor market. The literature confirms a positive relationship between employer attractiveness (or other similar measures) and prospective employees’ intentions to apply to that organization. In this article, we examine this relationship through the lens of BES in the Indian context. Findings suggest that firms with a consistent or recent listing in BES receive a significantly higher intention to apply than firms present only in one or an older BES. Furthermore, organization familiarity is one of the major predictors of intention to apply. We suggest consistent efforts in building and sustaining employer brand by combining the efforts of marketing and HR managers in the design and execution of relevant activities and their communication to the target audience in emerging economies.

### **Literature Review**

There are a plethora of theories about marketing and branding, and a large number of literatures discussing corporate image and corporate reputation, however, there are only a few theories available concerning employer branding, especially the linkage between employer brand and consumer marketing communication methods. A brand was 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 (Gardner & Levy, 1995). Clark (1987) on the other hand, offered another definition relating brands with values, i.e. brand is values that provide the important link between consumers and marketers, while Kapferer (1992) approaches brands under a holistic view. He claimed that a brand is not a mere product. It is a product's essence and often brands are examined through their component parts like brand name, logo, design or packaging etc. According to Keller (1993) brand equity elevated the importance of brand in marketing communication strategy and is often used to persuade customers to buy a product or service. However, in recent years, especially

in today's competitive market, employer branding is used to recruit and retain good employees from a diverse work force. Most companies tend to promote 23 factors that make their firm a good place to work and also offering a bright and cheerful office space, an ethos of collaboration and teamwork, flexible working hours, crèche facilities, or even an excellent canteen. Levering (1996) has opined that a good workplace is believed to produce higher quality products, support more innovation, have the ability to attract more talented people, and experience less resistance to change and lower turnover costs, all of which translate directly into a better bottom line. They found that employer branding policies were associated with not only stable and highly positive workforce attitudes but also had effect on organization's performance. Turban and Cable (2003) have argued that firms higher in corporate social performance (CSP) have more positive reputations and are more attractive employers to employees than firms lower in CSP. Such results suggest that potential applicants are aware of firms' CSP and that those with more positive ratings may have competitive advantages because they attract more potential applicants than firms. Levinson (2007) also suggests that employees who are happy in their work are more likely to stay in that organization, and found that work engagement is significantly related to organizational commitment.

**Employer brand benefits**

- Significant decreases in cost per hire
- Reduced cost of recruitment - efficiencies maximised throughout the recruitment process
- Reduction in recruitment marketing costs over time
- Greater numbers of higher quality applicants
- Higher performing employees
- Increased retention rates
- Stronger reputation in the marketplace
- Increased ability to attract specialist talent in a difficult market
- Competitive advantage
- Significantly enhanced talent pipeline
- Increased employee engagement levels
- Greater workforce diversity
- Stronger corporate culture
- Stronger PR tool kit
- Increased support for the organization and brand
- Increased shareholder value.

**Conceptual & theoretical foundation of employer branding**

Employer branding is the process to communicate an organization's culture as an employer in the marketplace. An employer brand is the sum of all the characteristics and distinguishable features that prospective candidates and current employees perceive about an organization's employment experience. The employment experience serves as the foundation of the employer brand and includes tangible features such as salary, rewards and benefits, but also extends to intangibles such as an organization's culture, values, management style and opportunities for employee learning, development and recognition (Newel & Dopson, 1996; Hendry & Jenkins, 1997). In establishing employer branding, organizational identity comes when there is a common ownership of an organizational philosophy which is manifested in a distinct corporate culture. It helps organizations to enhance employer brand identity. An organization's image refers to how the potential and existing employee receives and perceives the employer brand. Organizational culture is an idea in the field of organizational studies and management which describes the psychology, attitudes, experiences, beliefs and values (personal and cultural values) of an organization. Employer image is a composite psychological impression that

continually changes with the firm's circumstances like performance, pronouncements, etc. It is the employees' perception of the firm. Employer brand loyalty serves to define what the organization would most like to be associated with as an employer; Highlight the attributes that differentiate the organization from other employers; And clarify the employment deal (balancing the value that employees are expected to contribute with the value from employment that they can expect in return). These leads the employers to attract the employees and it would also enhance the productivity of the employees.

#### **Reasons for the development of employer branding**

It is worth noting some key global trends that determine the need to build employer brand. First of all, it should be emphasized that nowadays organizations operate in the environment which is constantly and often unpredictably changing. Changes occurring in: economy, organizational processes and procedures, customer requirements etc., mean that employers who will be able to manage changes, have the opportunity to achieve a competitive advantage in the market.

Referring to the environment of the organization, essential for the development of the concept of employer branding are: demographic changes, transformations in the structure of human resources' competences and changes in attitudes towards work. Decreasing workingage population, different perceptions of the role of work in human life by young generation and lasting for years war for talents make the difficulties in recruiting and retaining the right employees in organizations.

#### **Steps to create employer branding**

Never has current and future talent been more important to business success than it is today. Today, organizations discuss having a "people advantage" and work with "talent optimization." There are also new titles and positions like "Chief Talent Officer." Attracting and retaining the right talent is becoming a key organizational capability. The industry is quickly moving away from a short-term recruitment focus to a long-term employer branding focus.

Companies will gain a competitive advantage by taking a long-term approach to investing in employer branding and developing their brands to align with long-term business needs.

Here are some concrete, step-by-step tips to help develop your own employer branding strategies:

1. **Understand the business needs.** Employer branding activities may be misdirected if long-term business needs are not fully understood. Understand what types of competences the organization needs in order to deliver on the business plan.
2. **Define the main target groups.** Define the weight between current and future talent, based on the business needs and the critical competences. How many resources should an organization spend on attracting new talent versus retaining and developing current talent? Define the main and secondary external target groups that need to be reached.
3. **Understand the target groups.** After defining the main and secondary external and internal target groups, fully understand them. Organizations should use research to understand what these groups find attractive. Employers should also know the target groups' current perceptions of the organization and know which stage of the decision process they are in. The deeper the understanding of the target groups, the more effective the communication will be.
4. **Optimize the employer value proposition.** An employer value proposition should be the foundation for all external and internal communication with talent. Optimizing the EVP means ensuring that it includes attributes and communication themes that are attractive, credible, sustainable, and that allow for differentiation in the long term.
5. **Select KPIs and set objectives.** Once organizations know what is important to business, understand the target groups, and optimize the EVP, find ways to measure impact and to set objectives. By selecting the right KPIs that measure, for example, an organization's attractiveness and brand

association, the company can set annual goals. When these goals are met, the employer will know that the brand is moving in a direction that is fully aligned with the business needs.

6. **Define an optimal communication mix.** The research indicates which stage of the decision process the target groups are in, and this information will allow organizations to determine where the main focus should lie: on driving awareness, consideration, or desire. This fundamental knowledge will allow companies to optimize the selection of communication channels and will lead to the best possible ROI.
7. **Create an annual plan.** Many of the components of an annual employer branding plan — the business needs, the target group’s definition and insights, the EVP, the communication mix, the objectives, the main strategies, and the KPIs — are now in place, so the plan starts to solidify. The only remaining component is the activities plan — which activities a company should implement and when.
8. **Develop communication ideas.** Based on the EVP and the selected communication channels, organizations now need to develop communication ideas that will have the greatest possible impact on the target groups and set the company apart from the competition. Of course, these communication ideas and concepts should be tested with the target groups before being fully executed.
9. **Execute and follow-up.** With the plan and communication ideas in place, execute and continuously follow up. By using the right KPIs and regularly updating them against the objectives, employers will be able to correct and optimize when needed, and ultimately to deliver on the company’s business needs.

**Most popular traditional metrics that have been used to measure ROI on employer branding activities include:**

- Cost per hire.
- ❖ Engagement levels.
- ❖ Time to fill.
- ❖ Retention rates.
- ❖ Turnover rates.
- ❖ Absenteeism.
- ❖ Headcount.
- ❖ Time to productivity.
- ❖ Total costs of labor to revenue

#### **Employer Branding Strategies for 2019**

Employer branding is one of the hottest recruiting trends of 2019. The term seems to be on the tongue of many C-level HR leaders but my question is “will companies truly build employer brand equity or will this be just a hot phrase for 2019”? Below are 15 focus points when building a great employer brand;

1. Start with the loudest part of your brand, the career landing page and create a visually appealing and near text less career portal.
2. Digital marketing equals recruiting; utilize campaigns, landing pages and develop a personality for the recruiting team (they are the front line of contact).
3. Ensure your talent community is worth joining. Does it provide something your job notifications, social channels and ATS don’t? If the answer is yes, then you are doing it correctly.
4. Hire recruiters and HR folks that can give you innovative accomplishments and goals. This one is free: Just saying you “do social recruiting” is not innovative.
5. Data rules! Make decisions in the recruiting process (i.e. tools to use, sources of hires, media spend etc...) based on data, chances is most of the information you require is in your ATS.

6. Resumes are dying; ensure your systems accept social media profiles (especially LinkedIn) as a resume replacement.
7. One click applies; two click acceptable but three or more is just dumb.
8. Mobile optimized pages....best mobile strategy available.
9. Do not advertise “mobile” if your mobile strategy is applying on a device and then being required to go to a desktop/laptop to complete the application process
10. There are tons of recruiting software tools; do your research and know what they do....exactly what they do (they are not all designed to increase applicants, that’s a sales pitch).
11. Video; short, simple and to the point...oh and have a story to tell, if your video sucks, guess what candidates think about your company!
12. Video; interview with it.....
13. Social media is more than throwing up a Face book page and creating tweets; highlight your organization and communicate externally and internally through all social channels.
14. Employees must have access to social networks at work....oh wait they do, their mobile devices. Don’t be a social media workplace car.
15. Market to your internal employees often! Employee referrals can be up to 50% of your hires and internal employees will leave you for another company doing something you need done (and have an open requisition for...)

Make your 2019 goal to be an employer that communicates and showcases their story.....that’s how you fill requisitions.

#### **Employer branding in Indian companies**

Employer–employee relationships have undergone a paradigm shift over the past few decades. The war for talent has meant companies are jostling for space in an increasingly crowded job market where skill is at a premium. A successful employer branding strategy can have a far reaching impact in increasing the number and quality of applicants. With companies like Infosys, TCS, Tata Steel, CEAT figuring prominently in establishing their brand as a best place for working and also attracting the best talents across the world, one can safely surmise that wooing talent is the new battle to be fought. This can happen only when there is a perception that their workplace is attractive. Infosys and the companies seek to do this by a strong learning culture and leadership development strategy, where each employee has a career roadmap to follow.

#### **Employer brand: Infosys**

At a time when organizations are debating the strategic importance of their human resources, Infosys recognizes that the key role of its human assets can sustain and increase its competitiveness. With changing employee demographics in the world, it has become essential to source talent where it is cost-effective and deploys it where it creates the maximum value. To achieve this objective, Infosys has developed an innovative workforce –management strategy – the Global Talent Program. This is the largest sustained effort by any company to recruit from campuses outside of India and develop the skills of a global workforce through training assignments in India. After training, the trained personnel are deployed by Infosys in their home countries. Increased profitability, reduced cost, increased market share, improved customer service, higher stock value, increased productivity and higher retention rates led to the winning the Optima’s Award in the GLOBAL outlook category for 2007. In addition to this, Infosys keeps its employees engaged and enthusiastic in the demanding 24\*7 work environment necessary to serve its global clientele. To meet the global challenges and also to reduce attrition rate, Infosys introduced a wide variety of programs that provides the best aspects of universities but with professionalism that a workplace required. These programs have helped stem attrition, which swell below the industry average and have made Infosys a top employer of choice. Business today and its

knowledge partner Mercer Human Resource Consulting rated Infosys the Best Company to Work for In India” in 2006, based on a methodology built on four quadrants of HR metrics, employee satisfaction, perceptions of key stakeholders, and HR processes and policies.

#### Conclusion

Today, an effective employer brand is essential for gaining competitive advantage. Increasingly, Indian corporations are becoming intentionally strategic to utilize the employer brand to attract and retain talent for the expansion and growth. The increasing focus on competitive advantage misleading many Indian firms to rethink their employer brands. A powerful employer brand has the capacity to attract and retain talent and represent quality to its customers, with the goal of gaining global recognition in a sustainable manner. The right kind of employer branding has also plenty of advantages as it provides a personality to the company and helps structure recruitment. It pulls s in the right kind of candidates and spells out the company’s expectations from them right at the beginning. Most importantly, it ensures that the best employees stay on longer, thus owing the company to carry on its operations smoothly. Ultimately, the key to a successful employer brand is to ensure that expectations are fully aligned with the realities of working for the organization. In past the brands of organizations are considered due to their products and services. The emerging concept of globalization has wiped the demarcation lines of different economic regions and presently organizations have to care about their employer brand to attract the talent and this phenomena is prevailing almost the entire world.

Companies with good employer brand are able gain financial benefits from socio-psychological determinants of employees’ engagement and work performance. They build a trust to employer and the sense of pride in belonging to the organization. It is the key for competitive success in nowadays knowledge-based economy and the background for suitability of effective organizational culture.

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