

**AN INVESTIGATION INTO THE ORGANISATIONAL ATTRIBUTES OF AN
EMPLOYER OF CHOICE:**

A South African Automotive Industry Perspective

By

SAREESHA POONOOSAMY

Student No: 20532833

Submitted in partial fulfilment of the requirements for the degree:

MAGISTER IN BUSINESS ADMINISTRATION

in the faculty of Business and Economic Sciences

at the Nelson Mandela Metropolitan University

Supervisor: Prof. D. M. Berry

December 2012

ACKNOWLEDGEMENTS

It is with sincere gratitude that I acknowledge the following people who have supported, guided and encouraged me immensely towards the successful completion of this treatise:

- Professor Dave Berry, my promoter for his time, professional constructive guidance and encouragement during the course of my research efforts.
- My employer for allowing me to conduct this study at the organisation as well as for the financial support to achieve this personal milestone.
- Mr Ian Nicholls and Mr Llewellyn Van Antwerpen, your support has been a catalyst for my personal growth and for this I will be eternally grateful.
- The respondents of the study who supplied the empirical data.
- Group 10.2, Luphumlo Twala, Ryno Van Jaarsveld, Collin Fish and Dirk Odendaal, for your contribution to the attainment of my personal goal as well as for making this journal an unforgettable experience.
- All my family and friends for their support and prayers, especially my parents for their love, constant encouragement and motivation throughout this journey.
- To God Almighty for blessing me with the wisdom, strength, courage and determination to reach the goals I wish to achieve.

Sareesha Poonoosamy

Port Elizabeth

December 2012

ABSTRACT

The automotive industry in South Africa is now more than ever before, facing a new era of intense international competition and as a means to survive; organisations are continuously searching for ways to increase their competitiveness. To this end, recent approaches have focussed on the role that people perform in bringing about competitive advantage and has resulted in greater emphasis being placed on the attraction as well as retention of the right people to achieve organisational success. However, developing trends such as changes in the supply of workers, expectations of new generations and a more diverse population have pressurised organisations to institutionalise a dynamic solution. This has placed greater imperative on becoming an employer of choice - those organisations that can differentiate their human resource practices from the competition in order to attract, develop and retain the people they need.

The research problem that was addressed in this study is to identify and investigate the organisational attributes of an employer of choice. A comprehensive literature review was executed to review the various definitions, trends impacting as well as the significance of the status - employer of choice. Furthermore strategies for becoming an employer of choice were evaluated and prominent employer of choice attributes identified from the literature. The researcher has also found that a significant number of authors have suggested employer branding as a key strategy in the effort to become an employer of choice. The concept of employer branding was therefore extensively explored in this study.

An empirical study was conducted after the appropriate measuring instrument was developed. The purpose of the measuring instrument was to validate the literature findings, identify the rank importance of the identified attributes and to evaluate the extent to which these factors are provided for in the organisation. A sample consisting of 110 employees were selected to participate in the survey via a random sampling method and a response rate of 89% or 98 employees was obtained.

The major findings indicated that the sample group agreed that the prominent attributes in literature are important attributes of an employer of choice. Overall the majority of the sample group does not regard the organisation as an employer of choice and while some of the attributes were present in the organisation, others had serious shortcomings. The literature findings together with the empirical study findings resulted in the development of a strategic model to serve as a guide in determining the initiatives the organisation should embark upon to become an employer of choice.

TABLE OF CONTENTS

	PAGE NO
ACKNOWLEDGEMENTS	ii
ABSTRACT	iii
LIST OF FIGURES.....	x
LIST OF TABLES.....	xi
LIST OF CHARTS	xiii
LIST OF APPENDICES.....	xiv

CHAPTER ONE

PROBLEM STATEMENT AND OUTLINE OF THE STUDY

1.1 INTRODUCTION	1
1.2 RESEARCH PROBLEM.....	2
1.3 SUB-PROBLEMS.....	4
1.4 DELIMITATION OF THE RESEARCH.....	5
1.4.1 Size of the organisation.....	5
1.4.2 Geographical demarcation.....	5
1.4.3 Staff level in the organisation.....	5
1.4.4 Scope of the research.....	6
1.4.5 Basis for the model	6
1.5 DEFINITION OF SELECTED CONCEPTS	6
1.5.1 Employer of Choice	6
1.5.2 Strategy	7
1.6 REASONS FOR AND SIGNIFICANCE OF THE RESEARCH.....	7
1.7 RESEARCH DESIGN	10

1.8 RESEARCH OBJECTIVES.....	11
1.9 STRUCTURE OF THE REMAINDER OF THE STUDY	11
1.10 CONCLUSION	12

CHAPTER 2

ORGANISATIONAL ATTRIBUTES OF AN EMPLOYER OF CHOICE

2.1 INTRODUCTION	13
2.2 DEFINING EMPLOYER OF CHOICE	14
2.3 DEVELOPING TRENDS RESULTING IN THE NEED FOR BECOMING AN EMPLOYER OF CHOICE	16
2.3.1 The war for talent.....	17
2.3.2 The intergenerational workforce	20
2.4 THE STRATEGIC IMPORTANCE OF BECOMING AN EMPLOYER OF CHOICE	22
2.5 STRATEGIES FOR BECOMING AN EMPLOYER OF CHOICE.....	26
2.5.1 Defining employer branding	28
2.5.2 The importance of employer branding	31
2.5.3 Benefits of employer branding	33
2.5.4 Employer branding strategies	33
2.5.5 The link between employer of choice and employer branding	40
2.6 ATTRIBUTES OF AN EMPLOYER OF CHOICE	42
2.6.1 Respected leadership	48
2.6.2 Strong company reputation.....	50
2.6.3 Conscious employee engagement.....	51
2.6.4 Supportive culture	55

2.6.5 Career growth opportunities.....	59
2.6.6 The rewards, benefits and compensation package.....	60
2.7 CONCLUSION AND PRESENTATION OF MODEL	63

CHAPTER THREE

RESEARCH METHODOLOGY AND A BIOGRAPHICAL ANALYSIS OF RESPONDENTS

3.1 INTRODUCTION	64
3.2 RESEARCH METHODOLOGY	64
3.2.1 Research theory	64
3.2.2 The research process	65
3.2.3 Types of research	66
3.2.4 Research paradigms.....	66
3.2.5 The research problem.....	68
3.2.6 Application of methodology	69
3.3 THE LITERATURE REVIEW	69
3.4 THE QUESTIONNAIRE	70
3.4.1 Design of the questionnaire	71
3.4.2 Design of the questions	71
3.4.3 Testing the questionnaire.....	73
3.4.4 Distribution.....	73
3.5 SAMPLE AND VALIDITY	74
3.5.1 Sample.....	74
3.5.2 Validity and reliability	75
3.6 STATISTICAL ANALYSIS.....	76

3.7 ANALYSIS OF THE BIOGRAPHICAL INFORMATION.....	76
3.7.1 Total population – response rate	76
3.7.2 Nationality – response rate	77
3.7.3 Years of service – response rate	78
3.7.4 Gender – response rate.....	80
3.7.6 Position in company – response rate	81
3.7.7 Age – response rate	82
3.8 CONCLUSION	83

CHAPTER 4

ANALYSIS, INTERPRETATION AND DISCUSSION OF THE RESEARCH RESULTS

4.1 INTRODUCTION	85
4.2 THE RANKED IMPORTANCE OF THE ATTRIBUTES OF AN EMPLOYER OF CHOICE	86
4.3 ANALYSIS AND INTERPRETATION OF SECTION C - ATTRIBUTES OF AN EMPLOYER OF CHOICE	88
4.3.1 Employer of Choice	88
4.3.2 Respected leadership	92
4.3.3 Strong company reputation and brand.....	95
4.3.4 Conscious employee engagement.....	97
4.3.5 A supportive culture	101
4.3.6 Career growth opportunities.....	105
4.3.7 The rewards, benefits and compensation package.....	108
4.3.8 Summary of category and question responses.....	111
4.4 IMPORTANT ATTRIBUTES OF AN EMPLOYER OF CHOICE	114

4.5 CONCLUSION	115
----------------------	-----

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION	117
5.2 THE EMPIRICAL STUDY	117
5.3 SURVEY FINDINGS	118
5.4 RECOMMENDATIONS.....	120
5.4.1 A strategic model for positioning the organisation as an employer of choice among employees.	120
5.4.2 Areas that require attention.....	121
5.5 PROBLEM AREAS ENCOUNTERED.....	127
5.6 RECOMMENDATIONS FOR FURTHER RESEARCH	127
5.7 CONCLUSION	128
 LIST OF REFERENCES	 137

LIST OF FIGURES

	PAGE NO
Figure 2.1: The traditional approach to talent management	18
Figure 2.2: Four strategic employer of choice options.....	26
Figure 2.3: Employer branding model: A self-reinforcing cycle	37
Figure 2.4: Employer branding and its determinants.....	38
Figure 2.5: The components of the employer brand.....	40
Figure 2.6: Strategic model for becoming an employer of choice.....	63
Figure 3.1: The research cycle	65
Figure 5.1: Strategic model for positioning the organisation as an employer of choice among employees	120

LIST OF TABLES

	PAGE NO
Table 2.1: Generations in the workplace	21
Table 2.2: Shift to become an employer of choice	25
Table 2.3: Summary of definitions of employer brand	30
Table 2.4: Key differentiators of attributes among employer of choice studies found in literature	44
Table 2.5: Employee engagement principles	53
Table 3.1: Total population - response rate.....	76
Table 3.2: Nationality - response rate.....	78
Table 3.3: Years of service - response rate.....	79
Table 3.4: Gender - response rate	80
Table 3.5: Highest qualification - response rate	81
Table 3.6: Position in company - response rate	82
Table 3.7: Age - response rate	83
Table 4.1: Ranked order of the attributes of an employer of choice	86
Table 4.2: Employer of choice.....	88
Table 4.3: Respected leadership.....	92
Table 4.4: Strong company reputation	95
Table 4.5: Conscious employee engagement	97
Table 4.6: A supportive culture.....	101
Table 4.7: Career growth opportunities	105
Table 4.8: The rewards, benefits and compensation package	108
Table 4.9: Summary of category and question responses	112

Table 4.10: Important attributes of an employer of choice.....	114
--	-----

LIST OF CHARTS

	PAGE NO
Chart 1.1: Locally produced versus imported vehicles in South Africa	8
Chart 3.1: Total population - response rate	77
Chart 3.2: Nationality - response rate.....	78
Chart 3.3: Years of service - response rate.....	79
Chart 3.4: Gender - response rate	80
Chart 3.5: Highest qualification - response rate	81
Chart 3.6: Position in company - response rate	82
Chart 3.7: Age - response rate	83
Chart 4.1: Employer of choice	91
Chart 4.2: Respected leadership.....	94
Chart 4.3: Strong company reputation.....	97
Chart 4.4: Conscious employee engagement	101
Chart 4.5: Supportive culture.....	105
Chart 4.6: Career growth opportunities	108
Chart 4.7: Rewards, benefits and compensation.....	111
Chart 4.8: Summary of category responses in rank order	113
Chart 4.9: Important attributes of an employer of choice.....	115

LIST OF APPENDICES

	PAGE NO
Appendix 1	130
Appendix 2	131

CHAPTER ONE

PROBLEM STATEMENT AND OUTLINE OF THE STUDY

1.1 INTRODUCTION

The world is no longer seen to be operating in silos; it is fast becoming a global village and an integrated global economy. Countries are engaging more in cross-border trade and investment and national economies are integrating to form interdependent, incorporated global economic systems (Hill 2011:4).

Due to globalisation, organisations are now more than ever before, facing a new era of intense global competition and as a means to survive are continuously searching for ways to increase their competitiveness. More recent approaches have focused on the roles that people perform in bringing about competitive advantage (Poisat 2006:3).

Poisat's (2006:3) view is strongly supported by Fisher, Schoenfeldt and Shaw (2006:69) who added that in their quest to improve organisational effectiveness, many companies have come to realise, that the factor most likely to provide potential competitive advantage is human resources and how these resources are managed. Production, technology, financing and customer connections (marketing) can all be copied. The basics of managing people can also be copied, but the most effective organisations find unique ways to attract, retain and motivate employees; a strategy that is more difficult to imitate.

Ray (2003, in Poisat 2006:1) stated that more companies realise that improved business performance hinges not only on improved processes, technology and products, but also equally as much on employee attitudes. To optimise workforce contributions companies may consider developing customised rewards and compensation packages. However, given future challenges, uncertainty and volatility, organisations are more and more obliged to institutionalise a dynamic solution in order to improve performance and productivity as a means of competitive advantage.

Even more so, a fundamental shift in people management processes is required in order to differentiate as well as attract, retain and motivate the human resources needed for business success.

According to David Powel's, President and Managing Director of Volkswagen South Africa (2012), competition in the South African automotive industry has significantly intensified with some 60 competitors worldwide and 1 300 different vehicle models available. Despite government interventions and stable growth in productivity, in terms of units manufactured and exported, the South African automotive industry's contribution to the world market is less than one per cent. Powel pointed out that the industry is still in a situation where it is not really globally competitive and functioning in a small but intensely competitive market (Van Rijswijck 2011).

Stewart Jennings of NAACAM, the Authority of the South African Automotive Components Industry said, "South Africa is not always as loyal to South African products as they should be as a result of the country's open, free-market system. In addition, the lack of skills and the unstable labour market, as well as the volatility of the rand are key points of concern" (Van Rijswijck 2011).

The above discussion provides evidence of the need for organisations in the automotive industry to position themselves as an employer of choice in order to attract, retain and motivate the talent needed for success. It also offers the basis for the exploration of the main problem of the study.

1.2 RESEARCH PROBLEM

The concept of '*employer of choice*' has received some prominence in respect of attracting talented employees and as a retention strategy. In addition it enhances the willing contribution of employees and thereby adds to organisational performance. According to Bowes (2008:1), the emergence of the concept of employer of choice is a result of the mounting importance of the role of employee satisfaction to company success.

Fields (2001, in Guma 2011:11) defined *employer of choice* as an employer who is highly regarded by a targeted population of employees because the organisation offers significant opportunities, rewards, compensation and other benefits that are in line with that niche market's personal and professional value system. In other words, the employer becomes so attractive to people that they choose to work for that employer rather than a competitor.

However, Schuler and Jackson (2006, in Guma 2011:10) pointed out that recruiting people to meet the organisation's human resource requirements is only half the problem when seeking talented workers. The other half is retaining these workers. Organisations that keep their employee turnover rates lower gain a relative advantage over their competitors by reducing overall labour costs and improving productivity. This notion is strongly supported by Moseley, Jeffers and Paterson (2008, in Guma 2011:11), who further iterated that becoming an employer of choice often involves the issue of acquiring the best talent for the organisation, motivating employees to improve performance, keeping them satisfied and loyal, developing employees in order for them to grow and contribute valuable skills, and ultimately retaining those employees.

Roman (2011:23) stated that to become and remain an employer of choice presents a major challenge for organisations. While many organisations and the literature prescribe key inputs to the achievement of an employer of choice status, little has been done to test whether these actually work in real life situations. Baumgardner (2004:1) stated that more organisations have focused on whether employees perceive the organisation as their employer of choice. He argued that with such an undertaking the voice of the employee, much like the voice of the customer is a valuable resource that should not be overlooked.

According to Rivera (2009:1) an employer of choice in its most basic form, means being able to attract performers better than the competition. The author pointed out the following as key drivers of the increased focus on employer of choice initiatives (Rivera 2009:1):

- The freelance workforce: a group of workers with in-demand, creative or highly specialised skills that prefer to be engaged, continually challenged, and on the cutting edge;
- Shortened product cycles will result in the need to move with speed in all aspects of business and result in rapid change in the skills required. Companies will need to be proactive in finding the skills and having them readily available when needed; and
- Due to the increased focus on financial viability, given less access to credit and limited cash flow, companies must be able to prove they can quickly react to changes in their industry or the world. Talent is a key component and in the future, investors will be much more involved in the business and in the company's talent strategy than ever before.

Given the challenges in the South African automotive industry due to globalisation, government pressures and the need to improve competitiveness and productivity, the opinions above lead to the following question:

How can automotive companies operating in South Africa gain competitive advantage by enhancing employee commitment via an employer of choice strategy?

The above discussion presents the basis for the exploration of the main problem of this study: *An investigation into the organisational attributes of an employer of choice.*

1.3 SUB-PROBLEMS

In order to successfully deal with the main research problem, the following four sub-problems have been identified:

- **Sub-problem one**

What are the attributes of an employer of choice as revealed in secondary literature?

- **Sub-problem two**

What do employees at an automotive company in South Africa view as attributes of an employer of choice?

- **Sub-problem three**

In what order of importance do employees rank the identified attributes of an employer of choice?

- **Sub-problem four**

How can the results obtained from the resolution of sub-problems one, two and three (above) be combined into a strategic model, which can be used at an automotive company operating in South Africa?

1.4 DELIMITATION OF THE RESEARCH

Demarcating the research was necessary for the purpose of making the topic manageable from a research point of view. The omission of certain topics does not imply that there is no need to research them.

1.4.1 Size of the organisation

An organisation employing in excess of 500 employees was used in this study. The motivation behind this was that larger organisations have a more diverse workforce. Larger organisations are also more likely to implement an employer of choice strategy. Omitting smaller organisations does not imply that they do not merit investigation.

1.4.2 Geographical demarcation

This research was limited to an automotive manufacturer situated in the Eastern Cape, South Africa. The Eastern Cape is South Africa's automotive hub and contributes between 6% and 7% to South Africa's GDP. Furthermore, it makes up 12% of the country's total exports, with 70 countries around the world importing locally produced automobiles (Van Rijswijck 2011).

1.4.3 Staff level in the organisation

The empirical study was limited to employees situated at the organisation's head office in the Eastern Cape. The organisation's head office is where the majority of the workforce as well as the researcher are situated.

The sample comprises all of the organisation's office staff at all the various levels within the organisation (lower, middle and senior management). Vice Presidents and the Board of Directors are excluded from this study.

1.4.4 Scope of the research

The research was limited to examining the six organisational attributes of an employer of choice, namely: respected leadership, conscious employee engagement, a supportive culture, career growth opportunities, the rewards, benefits and compensation packages and the company's reputation. This study excluded all other likely attributes of an employer of choice as well as external perceptions.

1.4.5 Basis for the model

The aim of this research is to determine what current literature reveals are attributes of an employer of choice that enhance the contribution of employees to increase company success, and thereby contributing to competitive advantage. The literature findings combined with organisational strategy best practice as perceived by respondent's in the survey was combined into an integrated model for attaining an employer of choice status.

1.5 DEFINITION OF SELECTED CONCEPTS

For the purpose of this study the following key concepts are defined:

1.5.1 Employer of Choice

There are divergent views found in literature regarding a definition for the concept employer of choice. Moseley *et al.* (2008, in Guma 2011:11) described the concept of employer of choice as acquiring the best talent for the organisation, motivating employees to improve performance and keeping them loyal and satisfied; developing them to grow, contribute skills and to ultimately retain them.

According to Armstrong (2006, in Roman 2011:396) becoming an employer of choice involves interesting and rewarding work, opportunities for learning, development and career progression and a reasonable degree of security.

Ultimately, becoming an employer of choice involves communicating and emphasising the positive features of working for a particular organisation to current and potential employees.

Based on the literature reviewed a strong argument exists for an attractive employer brand to attract, enthuse and retain top talent for organisational success. For the purpose of this study, an employer of choice will refer to employee perceptions only and as a result the research does not include the perceptions of potential employees.

1.5.2 Strategy

Strategy is defined as a long-term plan for future success or development (O'Neill, 2003:1204). Hellriegel and Slocum (1996, in Poisat 2009:9) defined a strategy as a major course of action that an organisation takes to achieve its goals. Hitt, Hoskisson and Ireland (2007, in Lennie 2008:11) defined strategy as, "an integrated and coordinated set of commitments and actions designed to exploit core competencies and gain competitive advantage."

Strategies for the purpose of this research refer to actions taken by an organisation to obtain an employer of choice status in the minds of employees as a means to obtain competitive advantage.

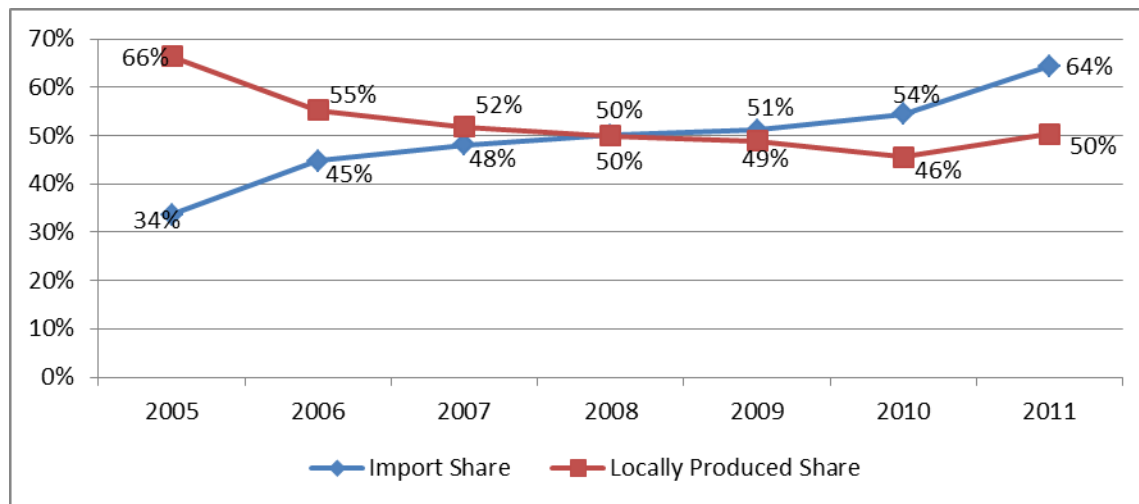
1.6 REASONS FOR AND SIGNIFICANCE OF THE RESEARCH

The South African Automotive Industry is facing a new era of intense global competition. Further intensifying this is the rapid growth of the Chinese and Indian automobile industries that have increased the competitive landscape of the automotive industry in South Africa.

As a result of their competitive advantage, primarily low cost production capabilities and massive domestic markets, they have managed to severely penetrate the South African vehicle market.

The graph below depicts the continuous growth of imported vehicles versus a drop in locally produced vehicles (The National Association of Automobile Manufacturers of South Africa 2011). This further epitomises the growing competitiveness of the automotive industry in South Africa.

Chart 1.1: Locally produced versus imported vehicles in South Africa



(Source: Author's own construction)

During a recent visit (2012) to the Eastern Cape, South Africa, President Jacob Zuma emphasised the importance of the automotive sector to the growth of the economy and government's vision of creating five million jobs by 2020. Zuma expressed the hope that through government support, some of these jobs can be channelled through the automotive manufacturing sector (Van Rijswijck 2011). However, Coetsee (2003:1) argued that although job creation has been hailed as a solution for South Africa's economic problems, the creation of jobs will not solve the productivity problem and competitiveness in South Africa.

Increasing employee productivity should be a core focus rather than job creation and that the improvement of employee performance, unlocking potential and motivation is one of the greatest challenges facing South African managers today.

Furthermore, in support of Coetsee's notion, are the results of the 2012 edition of The World Competitiveness Yearbook. Despite South Africa moving up four places to attain 50th position, the report pointed out that the country will have to focus on its weaknesses to further enhance its competitiveness. Interestingly, given government's vision to create 5 million jobs by 2020, South Africa's weaknesses all relate to its labour market:

- Ranked 138th out of 142 countries for lack of flexibility in wage determination and significant tension in labour-employer relations;
- In terms of university enrolment, the country ranked only 96th;
- Finally and most disconcerting, is the position of 95th for labour market efficiency. According to the report, efficiency and flexibility of the labour market are critical for ensuring that workers are assigned to their most efficient use in the economy and provided with incentives to contribute their best efforts in their work situation.

The report emphasised that efficient labour markets must ensure a clear relationship between worker incentives and their efforts to promote meritocracy in the workplace. Together these factors have a positive effect on the worker performance and the attractiveness of the country regarding talent that ultimately enhances competitiveness.

In order to combat these challenges, according to a report issued by Deloitte (Accelerating toward 2020: an automotive industry transformed 2011) a new approach to labour is required in the South African automotive industry. While markets are demanding innovation and creativity, customers are demanding faster responses to their changing needs. Given that fixed costs account for so much of the total cost of producing a car, the pressure to reduce expenses is frequently focused first on the labour force. As a result, there will be continuous pressure to do more with fewer resources. The need to ensure that the company has the right people, at the right time with the right skill set will require a fundamental shift in people management processes in order to differentiate, attract, retain and motivate the talent needed for future business success.

According to Poisat (2009:31), organisations are continuously changing in order to meet the challenges brought about by globalisation and international competitiveness. These challenges have had a significant influence on the nature of work and the demands placed on employees. Managers are therefore, increasingly relying on employee initiative, enthusiasm and commitment. Due to globalisation, the coordination of business involves numerous considerations, including location, language, technologies, regulations, and cultural differences. At the same time, increasing cost pressures from consumers are placing demands on companies to innovate, which in turn, places a greater imperative on finding and keeping the right individuals who can contribute to low cost and increased productivity.

The Deloitte report (2011), which pointed out that young talented people are lacking confidence in the manufacturing industry and other industries where similar skills are needed, increases competition for these individuals. It was recommended that Original Equipment Manufacturers (OEM's) will have to work on their brand image to break down negative perceptions. Apart from this, the researcher is of the opinion that there is also a need to ensure that these young, talented employees are retained within the organisation and not lost to other industries; which is an important goal of the employer of choice strategy.

In light of the above discussion, the following question arises: Given the challenges and pressures in the South African automotive industry, how can automotive companies implement an effective employer of choice strategy to inspire employees to improve performance, productivity, commitment and to ultimately retain them?

1.7 RESEARCH DESIGN

In this section the broad methodological approach followed in the study is described. The following procedure was adopted to solve the main and sub-problems:

- A literature review was conducted to determine the organisational attributes of an employer of choice. The researcher compiled a questionnaire developed from the literature review above in order to determine factors that respondents perceived as organisational attributes of an employer of choice.

- An empirical study was conducted by means of a survey amongst the organisations salaried staff. The sample was representative of the entire population as outlined in section 1.4.3.
- The results of the literature reviewed and the empirical questionnaire were analysed and interpreted to formulate a strategic model that could be used by an automotive company to attain an employer of choice status in the minds of employees.

1.8 RESEARCH OBJECTIVES

The primary research objective was to identify the organisational attributes of an employer of choice at a South African automotive company. More specifically the objectives were to:

- Explore the concept of employer of choice in the literature;
- Determine from the literature, the organisational attributes of an employer of choice and evaluate the recommended strategies;
- Validate these attributes and determine whether they are present in the organisation through an empirical study; and
- Formulate an employer of choice strategy model for implementation at an automotive company in South Africa.

1.9 STRUCTURE OF THE REMAINDER OF THE STUDY

The remainder of this research paper comprises the following chapters:

- Chapter 2: Organisational attributes of an employer of choice
- Chapter 3: Research methodology and biographical analysis of respondents
- Chapter 4: Analysis and interpretation of results
- Chapter 5: Summary, recommendations and conclusions

1.10 CONCLUSION

In this chapter the research problem and sub-problems were introduced and how the researcher intends to solve the research problem, discussed. The chapter further described the delimitations of the study, relevant definitions of concepts, reasons for and significance of the study, as well as describing the research design and objectives. Chapter two will discuss the organisational attributes of an employer of choice as identified in the secondary literature review.

CHAPTER 2

ORGANISATIONAL ATTRIBUTES OF AN EMPLOYER OF CHOICE

2.1 INTRODUCTION

The war for talent, expectations of new generations and a more diverse population has fuelled the need for companies to retool and revisit their human resource practices in order to attract, develop and retain key talent. Various authors have recommended that in order to react to these challenges, organisations need to develop themselves as an employer of choice in their respective industry (Clark 2001; Herman & Gioia 2001; Lenaghan & Eisner 2006 and Mackes 2005). In light of this, this chapter begins with a review of the various definitions and trends impacting on, as well as the significance of the *employer of choice* status.

Literature on comprehensive employer of choice strategies is limited with a number of anecdotal attributes cited. Based on the literature reviewed six of the most prominent attributes of an employer of choice will be investigated namely, respected leadership, a supportive culture, the rewards, benefits and compensation package, career growth opportunities, strong company reputation and positive employee engagement.

The researcher found that a significant number of authors have suggested employer branding as a key strategy in the effort to become an employer of choice. According to Wickham and O'Donohue (2009:79), organisational efforts to achieve an employer of choice status have entailed the use of employer branding strategies for the purpose of effectively marketing themselves to their targeted labour market(s). Wickham and O'Donohue (2009:79) further pointed out that an employer of choice strategy involves constructing an employer brand identity based on an employment value proposition (EVP) aimed at setting the organisation apart from competitors in some meaningful way.

Based on the above discussion, the term employer branding and its significance is explored in the remainder of the chapter. This is followed by a review of the various employer branding strategies as well as its link to the concept of employer of choice. The chapter concludes with a strategic model that the researcher has constructed based on the literature reviewed.

2.2 DEFINING EMPLOYER OF CHOICE

The employer of choice concept became popular in the late 1990s and since then has been touted as an important recruitment and retention tool (Herman & Gioia 2001 and Lawrence 2010). There are conflicting views found in literature regarding a definition for the concept of employer of choice. Although the definitions vary from author to author, they do not differ fundamentally and frequently contain the same concepts. The various definitions of employer of choice as given in literature are summarised below.

- The notion of employer of choice is part of employer branding, an old principle clothed in new labelling, which enhances attracting and engaging external talent in well-led organisations. Becoming an employer of choice involves communicating and emphasising the positive features of working for a particular organisation to current and potential employees (Glen 2007, in Roman 2011:23).
- Becoming an employer of choice often involves communicating and emphasising the positive features of working for a particular organisation to current and potential employees (Armstrong 2006:396).
- An employer of choice is an organisation that outperforms its competition in the attraction, development and retention of people with business required talent, often through innovative and compelling human resource programs (Clarke 2001:21)
- The term employer of choice is a catchphrase that became popular sometime between *paradigm shift* and *realistic optimism* that has yet to be fully internalised by many management teams. Being an employer of choice means people will choose to work for you over other employees and will choose to dedicate themselves to the company's success. When they are at work, they are actually working not because they have to but because they find satisfaction in their jobs (Sherwood 2008:23).
- Employers of choice are highly regarded by employees as well as potential employees because the organisation offers great opportunities, rewards, compensation and other unique attributes that are in line with a niche markets personal and professional value system.

The package of attributes offered becomes a key differentiator for both current and potential employees who will choose to work for the organisation over its competition (Fields 2001:99).

- An employer of choice is all about the *buzz factor*, it's about what your employees say about your organisation to others. It's a level of energy emanating from a company that translates well into outsiders (Dorna 2007:30).
- An employer of choice recruits and engages talent through practices that address both tangibles and intangibles, focus on the long term as well as the short term, and are tailored to the organisation (Branham 2005:57).
- An employer of choice is a firm whose employment policies and human resource (HR) management practices give it an edge over its competitors in recruiting and retaining appropriately skilled workers and optimising their productivity while maintaining or increasing their profitability and market shares (Anderberg & Froeschle 2006:3).

Recognising and accepting the role that employee satisfaction plays in corporate success has led to the development of the unique marketing strategy – *employer of choice*. This strategy is a conscious corporate effort to become a more attractive employer by focussing on the environmental attributes that serve to create loyalty and a sense of belonging (Bowes 2008:14).

In summary, an employer of choice is an organisation that inspires highly talented workers to join them and stay with them. The following definition has been frequently repeated in literature and is used to define employer of choice in this study:

Employer of choice can be defined in its broad sense as an organisation that, because of its status and reputation, is always the first choice (or at least on the short list) of high quality candidates. Employers of choice outperform their competition in attracting and retaining quality talented people. They achieve this reputation through innovative and compelling human resource practices that benefit both employees and their organisations (Ahlrichs 2000; Fields 2001; Clark 2001; Joo & McClean 2006, and Sullivan 1998).

2.3 DEVELOPING TRENDS RESULTING IN THE NEED FOR BECOMING AN EMPLOYER OF CHOICE

Today's fast-paced changing business environment has significantly impacted every organisation's highly qualified and motivated workforce. In order to keep pace with the changing market dynamics, organisations are trying to place themselves in a unique position on the corporate ladder. There is a huge demand for competent personnel, which is escalating steadily, particularly the demand for vital positions which require technical and in-depth expertise to meet the current requirements of the job market (Gaddam 2008:1).

Of note is that the labour market is becoming more complex due to the on-going demographic changes all over the world. Though the magnitude and pace of this change may vary in different countries, research studies have outlined some significant facts (Gaddam 2008:46) as shown below:

- There will be a decline of 20% in the workforce population in the age group of 20-29; while there will be an increase of 25% in the age group of 50-64. This will have a considerable impact on the labour market in many organisations, and exacerbate the problem of the labour crunch to find highly skilled and challenging successors to replace at least 30 to 60% of senior executives;
- In the next five years, it is estimated that a minimum of 70% of senior executives will be eligible for retirement. Due to this reason, organisations will face severe talent crises and high job mobility among the talented workforce. In the past decade, it has been observed that employees changed their jobs only twice or thrice in their entire career. But in the contemporary technology-based world, the growing propensity to switch jobs is at a mounting pace. As a consequence, the battle for the best employees has resulted in fierce antagonism among HR professionals for recruiting the best talent from the job market; and
- The approach of recruiting the 'talented potentials' needs to change in this competitive world and as a result organisations need to differentiate themselves in the job market when it is related to the 'battle for the talent' (Gaddam 2008:46).

Coupled with the growing need for talented workers and changes in demographics, organisations have been impacted upon by globalisation, pressure for speed and innovation, tightening of skilled labour markets, advances in technology, the growth of the knowledge economy and the need for flexibility and expertise in the workplace (Sutherland, Torricelli & Karg 2002 in Joo & McLean 2006:229; Bhatnagar & Srivastava 2010 and Wickham & O'Donohue 2009).

This has resulted in an intensification of competition for high-quality human resources, and has provided organisations with added incentives to review their employee relations strategies in order to attract, motivate and retain the workforce that will help them be successful. Because for many organisations skilled employees are hard to attract and difficult to retain, it became critical to business success to sufficiently differentiate human resource practices to attract and retain skilled and talented workers (Wickham & O'Donohue 2009:79).

Anderberg and Froeschle (2006:3) added that skilled labour does not necessarily go to the highest bidder, qualified workers are more discerning and endeavours to attract and retain talent, will require more than just money from the employer. Anderberg and Froeschle (2006:3) further stated that employers must find ways – other than through bidding wars to combine tangible and intangible benefits to make themselves more attractive to skilled workers.

Today's employees want to work for a company that cares, trusts, appreciates, values its workers and acknowledges hard work. This type of environment is becoming a stronger driving force for employee attraction and retention and has led to the development of the unique market strategy - *employer of choice* (Bowes 2008:14).

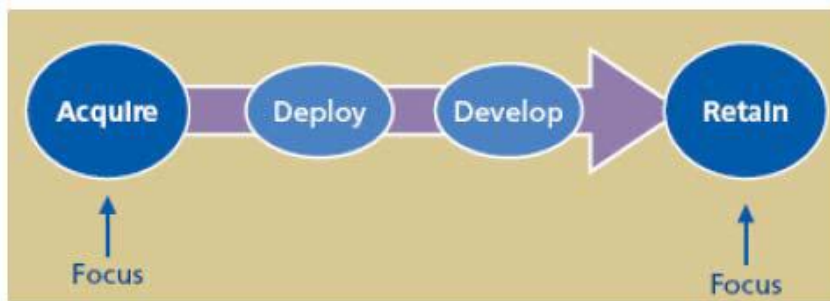
2.3.1 The war for talent

The war for talent has been a major driver for organisations to embark upon talent management strategies and establish themselves as employers of choice.

There are many factors that have led to the importance of talent management, a lack of skilled and professional employees, predicted labour shortage as a result of nearing retirement age of baby boomers, changing expectations of new workforce, workforce diversity and increased competition as a result of expanding economies and globalisation (Chhabra & Mishra 2008:51).

Talent management according to Lockwood (2007:2) is “the implementation of integrated strategies or systems, designed to increase workplace productivity by developing improved processes for attracting, developing, retaining and utilising people with the required skills and aptitude to meet current and future business needs”.

Figure 2.1: The traditional approach to talent management



(Source: Deloitte 2005:1)

Figure 2.1 above shows a traditional approach to talent management as a linear activity that begins with acquiring talent and retaining talent, as two areas of focus. The traditional approach to talent management has focused on the recruitment and retention activities.

Clarke (2001:21) stated that new and experienced employees are realising that they have more discretion in the companies with whom they choose to work. Studies of highly talented current and prospective employees reveal certain values that are part of the decision individuals make to join a company (Clarke 2001:21):

- Organisations with recognition and leadership in the marketplace;
- Organisations with a strong sense of direction;
- Unique and leading HR practices that bring notoriety and employment,

- Emphasis on career and technical training and development with clear opportunities for advancement;
- An organisational culture and environment that place a premium on innovation and creativity;
- Competitive reward strategies that are linked to performance;
- Innovative benefit plans that are designed to meet individual needs; and
- An open and fair culture that values diversity and respect for individual differences.

Despite challenges to recruit top talent, companies also run the risk of losing talent to competitors. Chhabra and Mishra (2008:50) stated that it is a major challenge for organisations to retain skilled employees once they have been hired and trained. However companies find themselves in a dilemma, because as they grow and train their employees, they make them more marketable. Not providing skilled employees with opportunities to grow and advance will result in them leaving (Sutherland *et al.* 2002).

In addition, the ease with which employees can now change jobs, move and change functions and industries, has reduced their loyalty towards organisations. The corresponding costs to the firm with regard to employees quitting the organisation and the subsequent hiring or replacement of employees can be quite significant in terms of personal, work-unit and organisational readjustments. Investing in staff is far less expensive than replacing them, organisations therefore have to make retention a top priority to reap the results in terms of attracting the right people, achieving higher productivity, and gaining competitive advantage, amongst others (Jacobs 2007 in Chhabra and Mishra 2008:1).

According to Lennie (2008:3), the war for talent is not unique to South African employers. In South Africa, these challenges are strengthened by additional factors such as:

- The mass exodus of white skilled labour (finding greener pastures overseas), commonly known as the brain drain;

- The emigration of skilled people that has and still is taking place at an alarming rate;
- The baby-boomers (aged 60-65) at Chief Executive Officer (CEO) level, and two or three levels down in the management hierarchy are now bordering on retirement;
- Affirmative action policies stemming from past inequities;
- The scarcity of specialist and managerial employees due to an oversupply of unskilled labour and under-supply of skilled labour and a national drive to address employment equity, which is fuelling the war for talent among people from designated groups;
- Employment equity and overcoming such concepts as “women hitting the glass ceiling”;
- Lack of skills and education, owing to poor education at a tertiary level; and
- The decline of professional teaching occupations such as mathematics and science owing to the lack of skilled and qualified teachers at tertiary level.

2.3.2 The intergenerational workforce

The generation groups and increased diversity of the current workforce has had a significant impact on the people management strategies of any organisation. Harrison (2010:2) identified the following four generations and their varying work characteristics:

Table 2.1: Generations in the workplace

Generation	Characteristics
Veterans: born 1922-1943	<ul style="list-style-type: none">• Strong work ethic• Conservative and usually very loyal to the employer
Boomers born 1944-1960 (or 1965)	<ul style="list-style-type: none">• May be more diligent at work• More comfortable in a stable working environment• Generally loyal to their employer• Acceptance of “chain of command” leadership style
Generation X born 1960/65 – 1980	<ul style="list-style-type: none">• Prefer independence• Self-motivation and self sufficiency• May emphasize the need for personal satisfaction, not just hard work• Have broken the traditional Maslow’s hierarchy of need by challenging the path of individual development
Generation Y born after 1980 and still growing	<ul style="list-style-type: none">• Well educated• Articulate with high levels of technical skills• More individualistic and comfortable being part of the global village

(Source: Harrison 2010:2)

Younger workers have differing values to “boomers” that have dominated workplaces. Challenges in this area include finding ways to address the needs of various age cohorts that reflect their diverse needs at different life stages as well as help people across varying generations work together more productively and overcome differences in values and work styles. Generational differences often arise with respect to their approach to work, desire for work-life balance and organisational commitment and loyalty (Harrington & Ladge 2009:4).

The challenge with integrating older workers with younger workers has become even more acute and during the next decade, managers will need to utilise strategies and tools to manage the intergenerational workforce. Managers will have to follow a multidimensional policy according to Mann (2006, in Guma 2011:10) that will:

- Encourage Boomers to remain in the workforce;
- Recognise the technical competence, entrepreneurial spirit and work-life balance needs of Generation X; and
- Anticipate the tech-savvy, collaborative work styles and need for self-directed education and training for Generation Y.

Furthermore, the workforce of the future has resulted in the need for human resources (HR) to retool and react to the changes in supply of workers, expectations of new generations and a more diverse population. This has fuelled the need for companies to develop themselves as an employer of choice in their respective industry – those that can differentiate their HR practices from the competition in order to attract, develop and retain the people they need (Clark 2001; Herman & Gioia 2001; Lenaghan & Eisner 2006 and Mackes 2005).

The following section of this chapter will focus on the strategic importance of becoming an employer of choice in order to emphasise the value of this status as a tool to attract, motivate and retain current and prospective employees.

2.4 THE STRATEGIC IMPORTANCE OF BECOMING AN EMPLOYER OF CHOICE

The attraction and retention of talent is not only one of the most prominent topics in business today, it is an absolute necessity. Competition for talent to fill key positions has become a priority in a dynamic, global economy (Tulasi & Hanumantha 2012:2). According to Bhatnagar and Srivastava (2008), being an attractive employer is critical to sustained competitive advantage. Employer attractiveness or simply a “great place to work” helps an organisation outperform its competition and achieve financial success.

According to the large body of research done by the “Great Place to Work Institute” 2011, the value of a great workplace is undisputed, it creates reputation, which attracts talent, it reduces turnover, fosters creativity and innovation for employees, sets a high quality standard on culture, increases resistance against downturns or market shocks and eventually provides high levels of customer satisfaction and loyalty (Bakanauskiene *et al.* 2011).

This view is shared by Levering (1996, in Joo & McLean 2006:228) who stated 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 into a better bottom line. When companies invest in their employees, they have invested in their organisational success. These companies show a positive Return on Investment (ROI) between training and employee motivation, improvements in productivity, employee satisfaction and financial performance (Bowes 2008:14).

Chhabra and Mishra (2008:57) stated that a good company tag is critical to a company’s ability to attract, motivate and retain the best and brightest, thus gaining competitive advantage in the marketplace, those companies voted as “the best companies to work for” yield higher returns for shareholders. The business case to achieve employer of choice status according to Clarke (2001:21), is crystallised in a quote in the Wall Street Journal (1998). “Those lists ranking the best places to work are rising in influence. There is often a correlation between the workplace qualities the lists measure and financial performance ... whatever Wall Street reviews, rewards for winners abound in the labour market.”

Additionally, according to the Global Executive Insight (2007), the business case for becoming an employer of choice reflects the belief that offering quality employment improves organisational performance and productivity. When organisations develop and implement a thoughtful employer of choice strategy, they can realise business benefits as well as positive outcomes for employees. For example:

- Fortune reports positive relationships between stock indices and being recognised as a “great place to work”;
- The adoption of specific types of employee practices and benefits can be related to customer satisfaction and organisational performance;
- Reward practices (such as the regular expression of appreciation by managers, group/team-based incentives, customer satisfaction monitoring and position-based pay) predict organisational performance;
- Companies with higher employee engagement tend to outperform others on key financial measures, relative to industry benchmarks. Low employee engagement can result in higher turnover, which can be costly for employers. For example, 59% of highly engaged employees report that they “intend to stay” with their employers in comparison to the 24% of disengaged employees who “intend to stay”; and
- Some employers believe their efforts to be an employer of choice may help them to be recognised as “socially responsible businesses,” which can positively impact customers’ and investors’ perceptions of the business (Global Executive Insight 2007).

Joo and Mclean (2006:235) pointed out the following implications of a best employer status in terms of psycho-social, economic and labour markets:

- **Psycho-social**
Employees of best employers have a higher level of engagement or a heightened emotional connection to the job and organisation. Based on trust of their employer, engagement enables people to perform well, want to stay with their employees and say good things about them. The public reputation, that results from a best employer status not only motivates and retains talented employees but also enhances corporate image.
- **Economic**
Positive reputation tends to be stable and difficult to copy therefore is a unique and stable source of competitive advantage.

- Labour market

Firms on the best employer list are able to attract and retain superior employees, thus many firms with a best employer status leverage this status as an employer branding strategy.

According to Bowes (2008:14) benefits of an employer of choice strategy have gone far beyond the original goal of recruitment and retention of talented workers. Research has proven that companies who are recognised as an employer of choice exhibit not only higher levels of employee attraction, but also higher employee productivity, greater workforce stability, stronger levels of employee satisfaction and loyalty.

Roman (2011:23) stated that to become and remain an employer of choice presents a major challenge for organisations as it involves acquiring the best talent for the organisation, motivating employees to improve performance, keeping them satisfied and loyal, developing them so they can grow and contribute skills. Table 2.2 below demonstrates the shift that must take place in an organisation to become an employer of choice.

Table 2.2: Shift to become an employer of choice

Then	Now
No time to train	Hire people who can learn
Career development is the employee's responsibility	Career development is the responsibility of the organisation and the employee
If you don't like it here, leave	If you don't like it here, why
You should be grateful just to have a job	Thank you, your contribution matters
Anyone off the street could do your job	Only you will do
It's not personal, it's just business	It's all personal

(Source: Ahlrichs 2000, in Roman 2011:24)

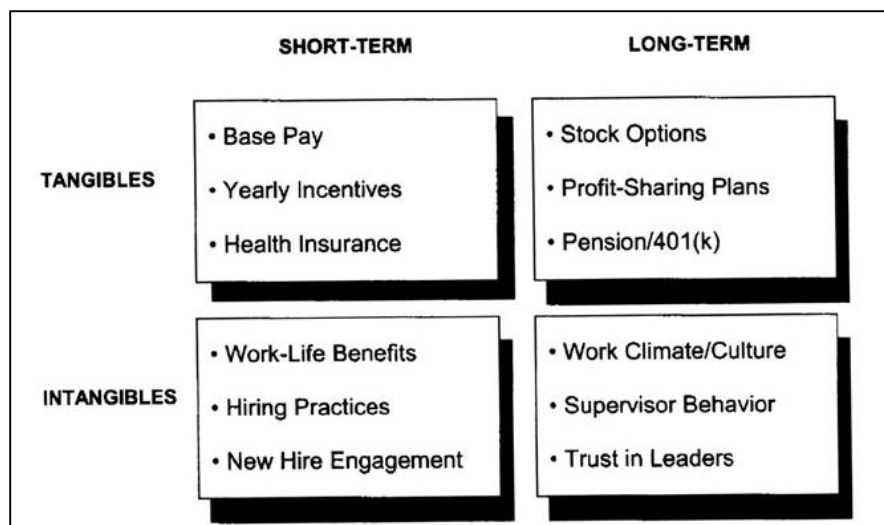
The following section will review the varying recommended strategies found in literature for becoming an employer of choice.

2.5 STRATEGIES FOR BECOMING AN EMPLOYER OF CHOICE

According to (Branham 2005:57), an employer of choice recruits and engages talent through practices that address both tangibles and intangibles, focus on the long term as well as short term and are tailored to the organisation.

Branham (2005:57) further pointed out that in an effective employer choice strategy, intangibles such as cultural or management practices have a more profound impact than pay-benefit practices. It has been proven that the greatest drivers of employee engagement and retention are intangible, mostly the way a manager treats his or her subordinates. Branham (2005:58) suggested four strategic employer of choice options depicted in figure 2.2 below.

Figure 2.2: Four strategic employer of choice options



(Source: Branham 2005:58)

Branham (2005:58) emphasised that for many organisations, it is more tempting to select short-term, tangible practices or solutions over long-term intangible ones. This may be due to impatience to get results and score quick success and likewise the intangible stuff seems just too complex, too hard to implement and too difficult to change in a reasonable time frame. The importance is to ensure a comprehensive, approach that entails a balance between tangible and intangible, leaning more toward intangible and a focus on both the short-term and long-term.

In the literature there is no one size fits all strategy or checklist for becoming an employer of choice. Coupled with Branham's (2005) recommendations as noted above, Clarke (2001:23) highlighted that employer of choice solutions must be tailored to each organisation's industry, business strategy and competitive environment. Experience and research indicate a few key steps that organisations have taken to successfully develop and implement innovative employer of choice solutions.

A project would typically include:

- Preparing a business case – these include the trends that affect an organisation's ability to attract, develop and retain people with business required talent;
- Conducting an EOC (employer of choice) assessment – the impact the organisation will achieve from being an employer of choice ;
- Identifying solutions and setting priorities – the general changes to HR programs and infrastructure that will be required. The business case explores: workforce requirements and availability, general and competitive trends, EOC impact and decision points, which are key questions to determine the appropriateness of the strategy;
- An EOC assessment follows – review of external workforce expectations, current workforce commitment, current HR programs and their infrastructure and the practitioners and technology in place;
- The outcome of the EOC assessment is an action plan that prioritises the key solutions that will enhance the organisations position as an EOC and sets forth the implementation of those solutions; and
- Supporting activities are essential. These steps include project management, communication and measurement.

According to Clarke (2001:23), the success of an employer of choice strategy depends on:

- Leadership commitment to people and change;
- HR performance metrics that are aligned with the organisations business strategy;
- Choosing a “headline” program that can be a clear-cut success;
- Adopting a multi-year action plan with interim goals;
- Measuring and communicating incremental success; and
- Investment of time and money in the implementation phase.

Apart from the work of Branham (2005) and Clarke (2001) above, very few studies have been conducted in literature that provides comprehensive strategies for becoming an employer of choice. However, the terms *employer of choice* and *employer branding* have been used interchangeably in literature. According to Wickham and O'Donohue (2009:78), organisational efforts to achieve an employer of choice status have entailed the use of employer branding strategies for the purpose of effectively marketing themselves to their target labour market(s). Employer of choice strategies entail constructing a unique employer brand identity based on an employment value proposition (EVP) aimed at setting an organisation apart from competitors in some meaningful way.

The next section will review the literature on employer branding and demonstrate the role of employer branding in becoming an employer of choice.

2.5.1 Defining employer branding

The definition of branding in the Concise Oxford Dictionary is ‘to impress unforgettably on one’s mind’, and employer branding is an extension of this definition (Gaddam 2008:47).

According to Tulasi and Hanumantha (2012:23) and Rag and Jyothi (2011), the term employer brand was first used in the early 1990s to denote an organisation's reputation as an employer. Defined by Simon Barrow, Chairman of people in business and Tim Ambler, Senior Fellow of London Business School, it is an emerging discipline that aims to position the image of a company as a "great place to work". The idea is to first develop an emotional link with the best talent and then offer to prospective candidates tangible benefits based on evidence (Tulasi & Hanumantha 2012:23).

According to Tulasi & Hanumantha (2012:23), Amber and Barrow (1996) defined the employer brand as the package of functional, economic and psychological benefits provided by employment and identified with the employing company. It is used to convey to the "employees that matter" why an employer's workplace is appealing and unique.

While the term "employer brand" denotes what people currently associate with an organisation, employer branding has been defined as the sum of a company's efforts to communicate to existing and prospective staff what makes a company a desirable place to work and the active management of a company's image as seen through the eyes of its associates and potential employees (Tulasi & Hanumantha 2012:24).

This view is shared by Gaddam (2008:47) who added that employer branding, in the commercial context, acts like an adhesive that helps in bonding different components of the organisation to ensure the employees' commitment, loyalty, advocacy and satisfaction. This in turn ensures market share, profitability, business growth, stakeholder and competitor respect, and the organisation as the preferred employer.

Chunping and Xi (2011:2087) stated that the employer brand is an employer's promise, which is on work culture, environment, and opportunities and experience by employees after joining the company. It is mainly explained from the inside soft environment such as career development prospects, freedom/autonomy, social responsibility, leadership, teamwork, changes and focus on results.

A definition of employer brand includes internal and external aspects. External brand is set for potential in order to make them willing to enter the company and establish the image of the best place to work. Internal brand is set for current employees, which is some promise made by the company to employees, not only a kind of relation between company and employees but also reflects that the company can provide unique work experiences for existing and potential employees. At the heart of employer branding is a compelling employment offer or employment value proposition. This is looking beyond the opportunity to work for an organisation with a leading product or company brand, as these offers are composed of selected levels of compensation and benefits, work environment, product or company brand strength, work-life balance and company culture and environment (Corporate Leadership Council 1999 in Vaijyanthi *et al.* 2011:92).

Table 2.3: Summary of definitions of employer brand

Ambler & Barrow (1996:187)	The package of functional, economic and psychological benefits provided by employment, and identified with the employing company.
Ewing et al. (2002:12)	Building an image in the minds of the potential labour market, that the company above all others, is a great place to work.
Lloyd (2002)	The sum of a company's efforts to communicate to existing and prospective staff that it is a desirable place to work.
Backaus & Tikoo (2004:502)	Process of building an identifiable and unique employer identity... concept of the firm that differentiates it from its competitors.
Knox & Freeman (2006:697)	Image associated with an organisation, uniquely in its role as an employer.

Kimpakom & Tocquer (2009:534)	An organisation's image as seen through the eyes of its actual and potential employees.
----------------------------------	---

(Source: Bhatnagar & Srivastava 2010:26)

From the above discussion it can be said that an employer brand is about giving an identity and distinctiveness to the organisation as an employer in order to attract talent as well as enthuse, engage and retain its current employees.

2.5.2 The importance of employer branding

In the current competitive market, employer branding is used to recruit and retain good employees from a diverse workforce. Interest in employer branding has drastically increased. Although employer branding practice is very common, the academic research on this topic in the human resource development field is limited.

In a situation where there is a highly competitive labour market and population decline, firms worldwide need to attract and retain qualified, value-adding employees. In order to achieve this, organisations must implement new approaches to HR systems such as employer branding (Kucherov & Zavyalova 2012:88).

Barrow and Mosley (2006:130) emphasised the importance of employer branding by stating: "Interest in this approach has been driven by growing competition within the labour market for the talent required by companies to realise their corporate ambitions". Tulasi and Hanumantha (2012:25) highlighted the following key trends that have elevated the importance of employer branding in recent years:

- Key shift in students' preferences moving from technical degrees to non-technical degrees. Companies or organisations that are perceived to be attractive employers will have an easier time to recruit top talent;
- Pressure to cut costs and increase productivity has made the need to get the right people in the right place even more crucial.

By properly communicating the reality of the work environment, companies are more likely to attract talent that fits their organisational culture, thus increasing the number of people with the right skills in the correct positions;

- The emergence of China, Russia, India and Brazil as economic powers and due to the aging population in the U.S, European Union and Japan, the competition for skilled workers has or will continue to increase; and
- Employee cynicism is on the rise and for an organisation to have a motivated workforce it would have to have a good internal brand experience as well. An employer brand ensures a sense of belonging in the employees and this causes them to play an integral role in the achievement of success.

According to Chunping and Xi (2011:2088) the strategic significance of an employer brand is that it is a good tool for attracting talents to join the company as it has visibility among potential, excellent employees and will make the company a first choice among these potential applicants. It is a catalyst to improve productivity.

A successful employer brand will not only attract and retain talented people, but also encourage and motivate employees to improve productivity and quality of product and service. Employer brand, in nature, is a kind of commitment made by employers to employees.

In summary, employer branding is a long term strategy to manage the awareness and perceptions of employees, potential employees and related stakeholders. The employer brand puts forth an image showing the organisation as a good place to work (Chunping & Xi 2011; Tulasi & Hanumantha 2012; Barrow & Mosley 2006 and Gaddam 2008). Skilled employees are hard to attract and difficult to retain and it has become critical to business success. Employer branding is a key strategy to attract and retain the workforce an organisation requires by creating a corporate identity and reputation that positions the company as a great place to work for among current and potential employees (Sutherland *et al.* 2002).

2.5.3 Benefits of employer branding

A number of strategic advantages have been provided in literature that accrues to organisations that adopt an employer branding strategy. Tulasi and Hanumantha (2012:26) referred to impressive and consistent track record in business leadership, demonstrated investment in growth by way of future products, research and development spend, articulation of the roadmap ahead of viable strategies. According to the authors, the organisation should clearly be perceived as a place where every employee could learn and develop skills in the latest technologies, concepts and knowledge areas, aggressive competitive compensation and benefits package, transparent and merit-orientated performance management system wherein the polarisation between various levels of performance is both visible and fair.

Chhabra and Mishra (2008:57) stated that employer branding is the process of creating an identity and managing the company's image in its role as an employer. An organisation's brand lives in the minds of its customers – its employees. Factors like culture, values, recruitment, compensation, training, leadership, and management have an impact on the brand that an organisation builds. Great brands provide a source of identification and assurance of quality.

This view is shared by Bhatnagar and Srivastava (2008:38) who added that an employer brand helps differentiate organisations from their competitors by creating a distinct image of the total employment relationship and clearly conveying the employment value proposition the organisation offers to its prospective and current employees. It avoids mismatches between employer and employees that lead to job changes. Creating a positive employer image radiates to the community at large and attracts potential job applicants.

2.5.4 Employer branding strategies

Various surveys are being conducted to rate companies as 'employer of choice'. The reputation of these organisations is part of their employer brand. To be amongst the top-ranked employers, one of the steps is to identify the key and potential employees and then take steps to know their expectations.

Aspirations and expectations of star performers especially should be aligned with the practices of the organisation to make it an *employer of choice*. There can be many popular brand attributes like fun place to work, best work-life balance and innovation company (Chhabra & Mishra 2008:57).

Literature on employer branding strategies is limited. Of the literature reviewed the following strategies were identified from the work of Tulasi and Hanumantha (2012); Bakanauskiene *et al.* (2011); Gaddam (2008); Dawn & Biswas (2010); Maxwell and Knox (2009) and Boyd and Sutherland (2006):

Tulasi and Hanumantha (2012:25) recommended a five step process to employer branding:

- Research
Understand where an employer is positioned in the employment market and to determine the appropriate action plan. The four important factors internally and externally are:
 - Know how the target group perceives the employer
 - Learn what the target group wants and needs from the employer
 - Discover where the employer is positioned in relation to its competition
 - Ensure that the research is updated regularly
- Employee value proposition (EVP)
The organisation should develop a unique EVP that provides current and potential employees with a reason to work for the employer. Through analysing the factors that influence the employer brand and by defining a strong and true EVP, the employer can communicate effectively during the communication phase.
- Communication strategy
This is based on research findings and a well-defined EVP. The EVP is a useful tool used by HR, Marketing or Communication to be able to emphasise the most attractive factors and be consistent in the employer communications.

Once an employer knows who they want to talk to and what they want to communicate, the employer then has to choose the most efficient and effective channels for reaching them. Choosing the right channels and understanding how best to target various groups is also based on research.

- Communication solutions

The aim of this step is to express the employee value proposition by using the right words and images. The communication should have the same look and feel irrespective of the communication channel. It is vital that the target groups recognise the organisation and relate to the employment offer. Employers should strive to develop consistency throughout their communication material.

Implementing all the steps and monitoring closely what works and what needs to be adjusted along the way is the final stage. It is of great importance at this point that the organisation sets targets on what they want to achieve with the planned activities in a clear and measurable way.

Boyd and Sutherland (2006:11) conducted a study to determine the key success factors in obtaining employee commitment to living the brand of the organisation. The authors noted that many companies aspire to get their employees to live the brand, however little empirical evidence of how to achieve this exists and even more so little integrated empirical information exists on successfully implementing the managing of employer branding in South Africa.

Boyd and Sutherland (2005:11) established that companies that successfully obtain employee commitment to living the brand of the organisation have the following characteristics:

- They make employer branding a key business priority;
- They communicate a clear set of values to their employees, and live by them;
- They compete for talented employees and focus on their needs;
- They have an internal employee branding programme which builds employee loyalty through informing, motivating, energising and engaging employees;

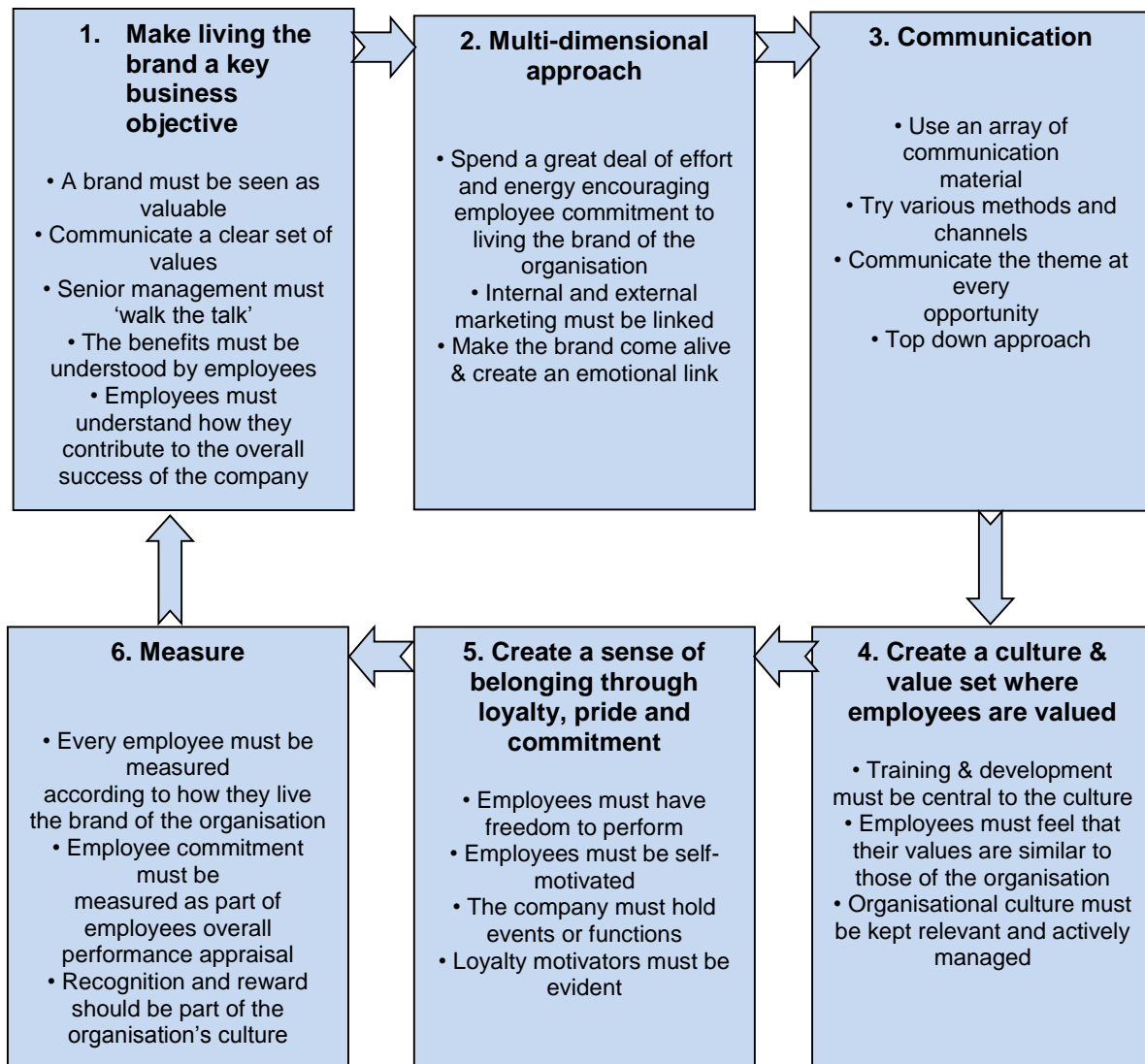
- They integrate measurement and reward criteria into their overall performance management system to track, evaluate and reward employee commitment to living the brand of the organisation; and
- They monitor company culture (beliefs and values) on an on-going basis and are prepared to effect changes when necessary.

From the propositions in the literature and the empirical evidence an employee branding model was developed to serve as a framework for implementing such an initiative.

The model is based on the idea of a self-reinforcing cycle of six key components that the human resources managers should attend to when setting out to obtain employees commitment to living the brand of the organisation. The model implies that the organisation has to practice all six components in an integrated manner as they depend on one another. A company must make employee branding a key business objective which requires a multi-dimensional approach, that needs excellent communication to create a culture and value set where employees are valued, this creates a sense of belonging through loyalty, pride and commitment, which has to be measured if the organisation is going to make employee branding critically important. Under each component in the model the critical elements to achieving that component are detailed (Boyd & Sutherland 2005:17).

In order for a company to make employer branding a key business objective they have to ensure that their staff understand that a brand is valuable, clearly communicate the values of the organisation, senior management must “walk the talk”, employees must understand the benefits of employee branding and finally employees must know how they contribute to the overall success of the company (Boyd & Sutherland 2005:17).

Figure 2.3: Employer branding model: A self-reinforcing cycle

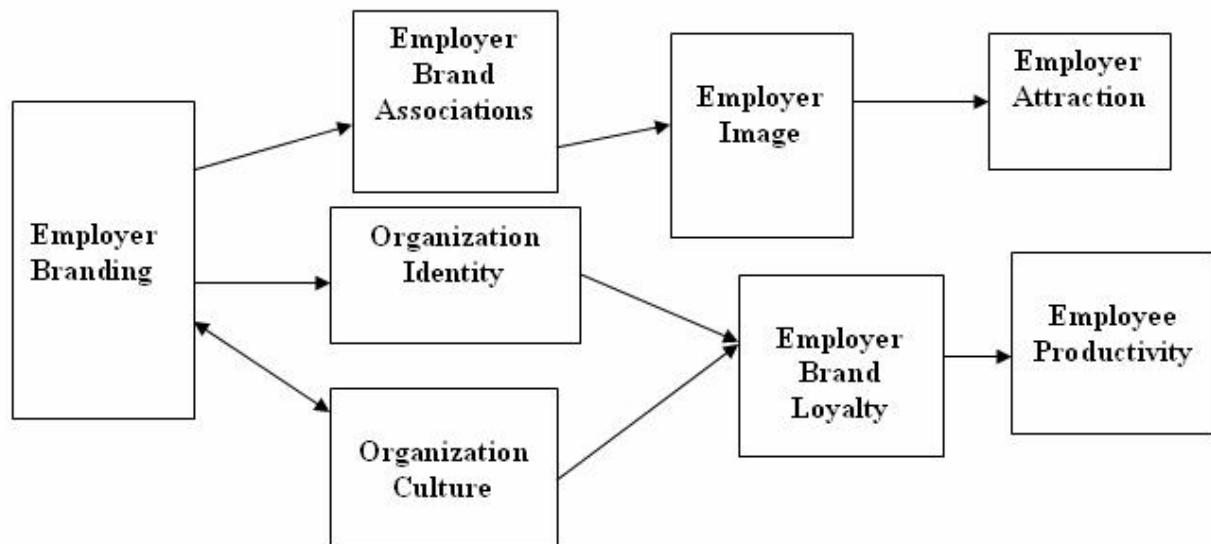


(Source: Boyd & Sutherland 2006:18)

Figure 2.4 below (Dawn & Biswas 2010) illustrates employer branding and its determinants. In establishing employer branding, organisational identity comes about when there is a common ownership of an organisational philosophy which is manifested in a distinct corporate culture. It helps organisations to enhance employer brand identity. An organisation's image refers to how the potential and existing employee receives and perceives the employer brand.

Organisational culture is an idea in the field of organisational studies and management which describes the psychology, attitudes, experiences, beliefs and values (personal and cultural values) of an organisation. 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 organisation would most prefer to be associated with as an employer; highlight the attributes that differentiate the organisation 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). This leads to the employers attracting employees as well as enhancing the productivity of these employees (Dawn & Biswas 2010).

Figure 2.4: Employer branding and its determinants

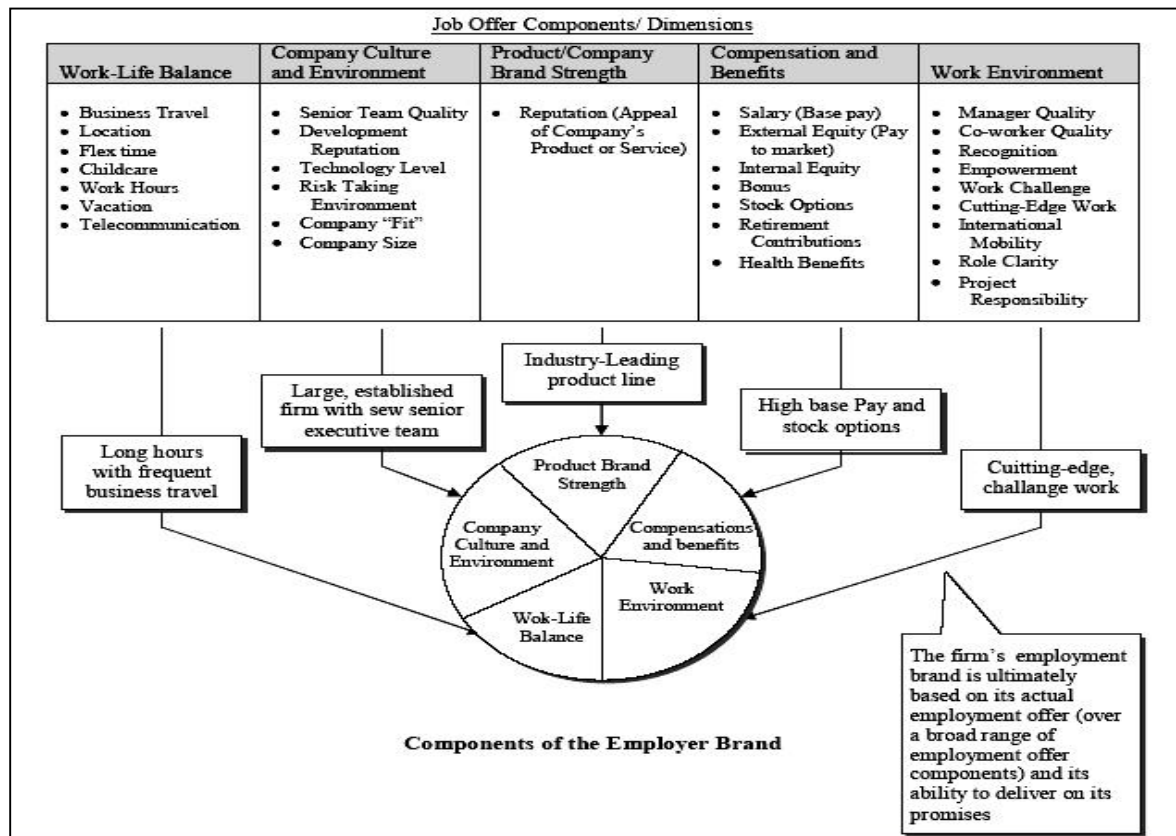


(Source: Dawn & Biswas 2010:24)

According to the Corporate Leadership Council (1999) a firm's employment brand is ultimately based on its actual employment offers and its ability to deliver on its promises. Like a product brand, the employer brand has multiple components, each contributing to the strength of the brand with current and potential employees.

The employer brand and its components are shown below in figure 2.5. There are five components that make a good employer brand. The first component is product brand strength. A product has added values when it meets certain psychological needs of the consumers. These added values are elicited to convince that the brand is of higher quality or more desirable than similar products from competitors. This is also applicable on employer branding. The second component is the company culture and environment. This includes the values that the company stands for, work rituals and systems in place and examples set by the top leadership. The third component is work life balance. There is no point wasting time and money attracting people towards something the company cannot deliver. The fourth component is work environment. If the people at the top do not show their commitment through the required actions and behaviours, the employer branding process will not be successful. The fifth is the compensations and beliefs, which is the job offer made to an employee. This is made up of the financial compensation, job role and responsibilities, designation, work environment and career development plan (Dawn & Biswas 2010:24).

Figure 2.5: The components of the employer brand



(Source: Corporate Leadership Council 1999, in Dawn & Biswas 2010:26)

Based on the literature reviewed thus far, the researcher is of the opinion that a clear link exists between an employer brand and the status of employer of choice. The next section is a review of the relationship and the role of employer branding as a strategy to attaining an *employer of choice* status.

2.5.5 The link between employer of choice and employer branding

According to Kaliprasad (2006:25), employer branding establishes the identity of the employer as an employer and ideally an employer of choice for potential and existing employees. Employer branding has since become a new approach for gaining an edge in the competition for talent. Employer branding refers to the process of identifying and creating a company brand message, applying traditional marketing principles to achieving the status of *employer of choice*.

It entails differentiating the company's brand message to appeal to current and future workforce in a manner that sets it apart from competitors (Branham 2000, in Sutherland, Torricelli & Karg 2002:14).

Herman and Gioia (2001, in Sutherland *et al.* 2002:14) referred to the ideal of being an employer of choice as a means to shifting the objective from just getting people to apply, to choosing the best of the best. Employer branding is a long term strategy with a transparent message that promotes the company as an employer of choice and concentrates on communicating that image to prospective and current employees employer branding works to influence employees' propensity to be attracted to, remain with and be motivated to sustain business objectives. The goal is to become an *employer of choice* by reflecting those attribute that employee's value (Tulasi & Hanumantha: 2012).

According to Barrow and Mosley (2006, in Dawn & Biswas 2010:21) employer branding is used not only to transfer the message of the personality of a company as an *employer of choice*, but it also has been used to adapt the tools and techniques usually used to motivate and engage employees. Like a consumer brand, it is an emotional relationship between an employer and employee. According to Sutherland *et al.* (2002:14), employer branding needs to communicate its strategy both inside and outside the company. The internal audience form their impressions from internal conditions and externally from communication and word of mouth. The internal audience therefore has the potential to become brand ambassadors.

Since the objectives of corporate branding can only be realised through the behaviour of current employees, marketers also need to understand what makes an employer brand attractive to people in this group, but too often this critical question is overlooked (Maxwell & Knox 2009). This view is shared by King (1991) cited in Sutherland *et al.* (2002:17) who stated that a critical part of the employer brand communication strategy therefore must be directed at current employees as current employees will strongly influence the word of mouth reputation of an *employer of choice*.

Employers who do not brand themselves internally as employers of choice are unlikely to succeed in branding themselves as such with the external labour market (Sutherland *et al.* 2002:14). According to Maxwell and Knox (2009:894), employer branding has been advocated as an effective strategy for motivating employees to “live the brand” however previous research has tended to focus on recruitment.

As a result, little is known about what makes an organisation’s employer brand attractive to its current employees. More importantly researchers have yet to explain what makes an organisation’s employer brand attractive to current employees. This represents a critical gap in the literature because an employer brand can only produce the desired behaviours if it is considered attractive by current employees.

The literature reviewed above confirmed that employer branding is a key strategy to become an employer of choice. Authors also highlighted the importance of the current employees as a target market as they have the potential to become brand ambassadors. Employer branding initiatives therefore have to be tailored to both potential as well as existing employees.

Thus far the researcher has introduced the *employer of choice* concept, trends resulting in the need to become an *employer of choice* as well as the significance of the concept *employer of choice*. Strategies to become an *employer of choice* were reviewed, with employer branding being isolated as a key strategy to becoming an *employer of choice*. The next section presents a review of the attributes of an *employer of choice* found in literature.

2.6 ATTRIBUTES OF AN EMPLOYER OF CHOICE

The process of becoming an employer of choice requires an organisation to develop and present an employee value proposition with features designed to attract, retain and motivate its targeted employees as well as set it apart from the competition. The proposition should answer the question, ‘what makes this a great place to work at?’

The components of the value proposition become the components of the employer brand. Employer branding is the vehicle used to communicate the proposition to current and potential employees and position the company in their hearts and minds as the best place to work at.

Employers of choice gather information so that they understand what motivates employees and prospective employees to come to work for the organisation, to work hard and with passion and to remain with the company and continue to contribute value. There is no single set of indicators of an employer of choice (Global Executive Insight 2007).

Maxwell and Knox (2009:895) stated that researchers have yet to explain what makes an organisation's employer brand attractive to current employees. According to the authors, this represents a critical gap in literature because an employer brand can only produce the desired behaviours if it is considered attractive by current employees.

According to Maxwell and Knox (2009:895) only three studies in academic literature, on employer branding, have directly addressed the perspective of current employees. Knox and Freeman (2006) and Lievens *et al.* (2007), using a framework developed by Dutton and Dukerich (1991) focussed on perceptions of the employer brand. The premise of this framework is that an organisation's identity can be seen from three perspectives: internally (the perceptions of employees), externally (the perceptions of outsiders) and construed externally (employees' perceptions of the perceptions of outsiders). These studies suggested that there are important differences between current and potential employees. The results indicate that current and potential employees tend to perceive an organisation's employer brand in different ways and that the two groups tend to value different attributes.

It can therefore be deduced that in order to determine what makes an employer brand attractive to current employees, and to determine the attributes upon which they evaluate an organisation as an employer of choice it is necessary to conduct further research that accounts for the unique perspective of people in this group.

Table 2.4 presents a summary of the key differentiators of attributes among employer of choice studies found in literature.

Table 2.4: Key differentiators of attributes among employer of choice studies found in literature

Author	Title	Attributes
Kotze & Roodt (2005)	Factors that affect the retention of managerial and specialist staff	Conducted a study to test the Veldsman Model (2003) that explains the relationship between various factors that affect the propensity of an employee to stay or leave an organisation. The Veldsman Model is based on the premise that an individual has certain views regarding his/her organisation as an employer of choice which affects his or her decision to stay which is affected by the organisation climate, employee wellbeing and job satisfaction.
Lawrence (2010)	Are you an employer of choice?	<ul style="list-style-type: none"> • Nurturing corporate culture • Effective leadership • Caring for people • Offering all employees meaningful work as well as growth opportunities • Attractive compensation and benefits • Making a difference in the community • Employee loyalty • Overall strong fiscal performance
Bennett & Bell (2004)	Hewitt's Best Employer in Asia Study (2003)	<ul style="list-style-type: none"> • Organisation culture • Learning and development • Engaged employees
Joyce (2003)	Fortunes 100 Best – the content analysis of websites	<ul style="list-style-type: none"> • Employee development • Diversity initiatives • Fun work environment

Sutherland <i>et al.</i> (2002)	Employers of choice for knowledge workers	<p>They found 11 factors, career growth and challenging work opportunities being the most desired attributes, followed by personal training and development opportunities, pay ranked third in terms of performance. Other attributes in order of importance were:</p> <ul style="list-style-type: none"> • Global innovative company based on good products • Large organisation offering job rotation and diversity • Successful company based on good strong products • Value based organisation, valuing employees, cultural diversity, social responsibility, access to resources • Benefits
The Global Executive Insight (2007)	Employers of choice in countries of choice	<p>Referred to the components of an employer of choice strategy as:</p> <ul style="list-style-type: none"> • Wellness, health and safety protections • Opportunities for meaningful work • Provisions for employability and employment predictabilities • Workplace flexibility • Culture of respect, inclusion and equity • Promotion of constructive relationships at the workplace • Rewards fair, attractive and competitive compensation and benefits • Opportunities for development, learning and advancement
Warren (2005)	Communication key to being an employer of choice	<p>Article included feedback from participating companies in Deloitte's Best Company to Work for, Survey:</p> <ul style="list-style-type: none"> • Job satisfaction • Leadership • Relationships and trust • Communication

Armstrong (2006)	The influence of workplace attraction on recruitment and retention	<ul style="list-style-type: none"> • Interesting and rewarding work • Opportunities for learning • Development and career progression • Reasonable degree of security • Enhanced employability • Better facilities • Employment conditions that satisfy work life balance needs • Competitive pay and benefits
Hinkin & Tracey (2010)	What makes it so great? An analysis of Human Resource practices among Fortunes Best Companies to Work For.	<p>Authors found six categories of Human Resource practices used by companies:</p> <ul style="list-style-type: none"> • A culture of caring for employees and open communication • Flexible scheduling to meet the needs of a changing workforce • Innovative methods to attract, select and retain a loyal competent workforce • Training programmes that are viewed as an investment in people with an emphasis on career tracks and promotion from within • Performance management systems that are aligned with organisation objectives • Compensation programmes that reflect the values of the organisation and link pay to performance
Herman & Gioia (2000)	Becoming an employer of choice	<ul style="list-style-type: none"> • Company reputation • High values and standards (culture) • Respected leadership • Care of people (quality of life, work life balance) • Growth opportunities (personal and professional) • Meaningful work (jobs that make a difference) • Compensation and benefits (total package) • Making a difference (social values are increasingly important)

Deloitte (2011)	Deloitte Best Company to Work For (2011)	<ul style="list-style-type: none"> • Sense of confidence in the organisation • Relationship with management • Overall job satisfaction • Operational effectiveness • Ethics and integrity • Sense of inclusion in the organisation • Career development • Work life balance • Performance and recognition • Remuneration
-----------------	--	--

(Source: Obtained from the literature reviewed)

Based on the findings shown in Table 2.4 above, there are varying anecdotal factors or attributes of an employer of choice found in the literature. For the purpose of this study adapted and based on the findings in literature, the key attributes of an employer of choice can be reduced to:

- Respected leadership (Lawrence 2010; Warren 2005; Herman & Gioia 2000; Deloitte 2011).
- Strong company reputation (Herman & Gioia 2000; Deloitte 2011; Hannon & Milkovich 1996, in Joo & Mclean 2006:232 and Barrow & Mosley 2006);
- Conscious employee engagement (Bennett & Bell 2004);
- A supportive culture (Lawrence 2010; Kotze & Roodt 2005; Bennett & Bell 2004; Joyce 2003; Karg *et al.* 2002 ; Global Executive Insight 2007; Hinkin & Tracey, 2010; Herman & Gioia 2001;
- Career growth opportunities (Lawrence 2010; Bennett & Bell 2004; Joyce 2003; Karg *et al.* 2002; Global Executive Insight 2007; Armstrong 2006; Hinkin & Tracey 2010; Herman & Gioia 2000; Deloitte 2011; and
- The rewards, benefits and compensation package (Lawrence 2010; Karg *et al.* 2002; Global Executive Insight 2007; Armstrong 2006; Hinkin & Tracey 2010; Herman & Gioia 2000; and Deloitte 2011).

2.6.1 Respected leadership

Leadership is the ability to inspire confidence in and support among the people who are needed to achieve organisational goals. Leading is a major part of a manager's job, but a manager also plans, organises and controls. Leadership is said to deal with change, inspiration, motivation and influence (Du Brin 2010:27).

All the attributes of an employer of choice come together in leadership. Bowes (2008:14) pointed out that employees want to see ethical and respected leaders who are visible and accessible, they want leaders who can see into the future and can steer the company through changing times. Creating an environment that is characterised by high levels of employee engagement, meaningful work, career growth opportunities, job satisfaction and a supportive culture requires leaders whose management behaviours create and reinforce the environment.

According to Herman and Gioia (2000:74), leadership is therefore a powerful component of an employer of choice. Leaders make a difference every day, in their decisions, their pronouncements, their interaction with fellow employees, and the clear messages that they send about where the company is going and why. Senior leaders at the top of the organisation have the platform to exert the most influence. They have the position, the resources, and the motivation to demonstrate the kind of leadership that can make things happen.

Even though the most influential relationship in any company is between the worker and workers immediate supervisor, people want to be well led from the top of the organisation. They expect people to think and operate strategically, always looking to the future. Senior executives in employer of choice companies emphasise the strategic value of people. Leaders are visible and accessible, reaching out to others. They embrace change; make continual change and improvement comfortable for all (Herman & Gioia 2000:74).

Herman and Gioia (2000:75) provided the following suggestions to promote effective leadership:

- Be future-oriented. Do not get bogged down in today's details but focus at high levels, looking as far as practicable into the years ahead;
- Exercise visionary leadership. Employers of choice are led by leaders who know where they are going. These leaders have a clear vision of the future, their goals and objectives;
- Communicate your vision well to all employees. The vision needs to be shared and accepted to gain validity and the power to drive the organisation;
- Place human resources at the strategic table. An employer of choice is enthusiastically people-oriented. The organisation's human resources are recognised as the most valuable resources;
- Be visible and accessible;
- Reach out on a personal level. Successful leaders get to know people, call them by name, and understand who they really are;
- Encourage and embrace change;
- Deliver open and honest feedback. People want to know how they're doing. If they feel they're in the dark, they're not getting good feedback and they'll choose to go somewhere else to work;
- Create an environment of caring and coaching. Coaching and mentoring have become increasingly popular in work environments. Today's employees want to be mentored and coached to higher and higher performance and achievement—personally and professionally;
- Transfer, promote and terminate. Employer of choice organisations provide plenty of opportunities for people to learn, grow, and reach their full potential;
- Facilitate individual high performance. The strength of the organisation lies in its employees. Today, employees are more independent, more driven to initiate and follow through on their own instead of waiting for direction from management.

People choose to work where they have opportunities to do things on their own, make things happen, assume a certain amount of control, and feel a sense of personal accomplishment in their own achievements;

- Champion employer of choice concept. The human resources department can strive to build the employer of choice environment and work to establish the reputation in the marketplace. However, to be "real" (to be effective) the employer of choice concept needs strong, active support from senior executives and senior leaders;
- Inspire servant leadership. Servant leadership is defined as a style in which the leader considers himself a servant and a support to other employees. Under this concept, the role of the leader is to serve all employees so they can perform their jobs and fulfil their responsibilities.

2.6.2 Strong company reputation

According to Herman and Gioia (2001:63) a company's reputation influences the decision making process of potential employees to join the organisation and current employees to remain with the organisation. Therefore the organisations reputation plays an integral role in the attraction and retention of employees. The organisation's reputation as an employer of choice in its industry can therefore serve as a strategic tool to ensure the right talent to meet business needs. The company should therefore have a solid, stable history with a good reputation and respect in the community.

This view is shared by Hannon and Milkovich (1996, in Joo & Mclean 2006:232) who stated that good reputations are believed to attract more talented employees, reduce turnover and improve relations with all stakeholders. According to the authors, more and more companies are participating in corporate reputation ranking studies for the purpose of promoting employer branding or becoming an employer of choice. According to Mosley (2009:4), how people feel about an organisation's reputation and brands is key to attaining an employer of choice status.

Phillips and Connell (2003, in Guma 2011:23) stated that employees are interested in organisations with a good reputation, and are considered to be advanced in technology or product development, or the best at what they do. These high-profile organisations are admired by many others and often they are best in the field and able to attract individuals who want to be associated with the best.

Bhatnagar and Srivastava (2008) stated the importance of having a workforce that is proud to work for its chosen employer, proud of the brands associated with the organisation, confident that the part they play is important and recognised as such by management, and comfortable in the knowledge that they will be kept informed of changes, developments and issues within the organisation.

To be competitive and to stay competitive, organisations need the full engagement of their employees. They need people who will talk with pride about their company's services or products. Whether at work or socialising, employees who are walking, talking advertisements for the organisation are the kind that well-informed employers need on the payroll.

2.6.3 Conscious employee engagement

Employee engagement has enjoyed some prominence in the news media as a strategy to enhance the willing contribution of employees and thereby adding to organisational performance. Employee engagement is a key business driver for organisational success. High levels of engagement promote retention of talent, foster customer loyalty and improve organisational performance and stakeholder value. Engagement is influenced by many factors - from workplace culture, organisational communication and managerial styles to trust and respect, leadership and company reputation. For today's different generations, access to training and career opportunities, work/life balance and empowerment to make decisions are important. It has therefore become imperative for organisations to foster a culture of organisational engagement (Lockwood 2007:2).

Employee engagement is defined as "the extent to which employees commit to something or someone in their organisation, how hard they work and how long they stay as a result of their commitment (Lockwood 2007:2).

Vazirani (2007, in Guma 2011:49) defined employee engagement as the level of commitment and involvement an employee has towards his or her organisation and its values. An engaged employee is aware of the organisational context, and works with colleagues to improve performance for the benefit of the organisation. The organisation must work to develop and nurture engagement, which requires a two-way relationship between the employer and the employee. Thus engagement is a barometer that determines the associations of a person with the organisation.

Greenberg (2004, in Guma 2011:49) defined employee engagement as the level of commitment and involvement employees have toward their organisation and its values. Greenberg stated that the primary behaviour of engaged employees are:

- Speaking positively about the organisation to co-workers, potential employees and customers;
- Having a strong desire to be a member of the organisation; and
- Exerting extra effort to contribute to the organisation's success.

Engaged workers are more likely to exhibit discretionary efforts and improve individual performance. In addition, engaged workers are less likely to feel exhausted or to express cynicism towards the organisation (Finney 2010:28). Finney further explained that a higher level of employee engagement improves financial outcomes of organisations in terms of operating income, net income and earnings per share. Masson, Royal, Agnew and Fine (2008:56) supported this notion, describing it as an environment of increasing global competition, where organisations are running 'leaner' and are forced to do more with less, tapping into the discretionary effort offered by engaged employees becomes all the more imperative for success in the marketplace. Engaged employees work with passion and feel a profound connection to their company. They drive innovation and move the organisation forward. Organisations must create work environments that provide a sense of challenge and meaningfulness for employees.

Many organisational factors influence employee engagement and retention. Greenberg (2004 in Guma 2011:49), proposed the following: A culture of respect where outstanding work is valued, availability of constructive feedback and mentoring, opportunity for advancement and professional development, fair and appropriate rewards, recognition and incentive systems, availability of effective leadership, clear job expectations, adequate tools to complete work responsibilities, high levels of motivation. Many other factors exist that might apply to a particular organisation and the importance of these factors will also vary within the organisation.

Engagement principles

The inspiration behind employee engagement is that an organisation establishes an emotional relationship with employees that will generate and sustain more practical ways of performance, commitment and retention of employees. In Whittington and Galpin (2010:18), a synopsis of key engagement principles are published that organisations can incorporate when developing an employee engagement strategy. They are as follows:

Table 2.5: Employee engagement principles

Principle 1	Employee engagement will be positively impacted when the organisation has an integrated HR value chain.
Principle 2	When managers engage in full-range leadership behaviours that incorporate contingent reward and transformational behaviours, employee engagement will be positively impacted.
Principle 3	The level of employee engagement will increase when employees work in jobs that are enriched by providing variety, significance and task identity.
Principle 4	When employees are working to achieve challenging and specific performance goals, their level of engagement will increase.
Principle 5	Engaged employees are high performers.
Principle 6	Engaged employees go beyond the minimum requirements specified in job descriptions and performance evaluations. They are outstanding organisational citizens who engage in a wide variety of extra-role performance behaviours.
Principle 7	When employees have a high level of trust in their leader the amount of engagement increases.

(Source: Whittington & Galpin 2010:18)

Employee engagement's role in becoming an employer of choice

Tomlinson (2010:26) stated that employee engagement is about creating an emotional connection with employees so that they are passionate and live the brand of the organisation.

This view is shared by Mitchell (2002, in Boyd & Sutherland 2006:10) who argued that organisations trying to achieve employee commitment to living the brand of the organisation need to create an emotional connection with employees to make the brand come alive for them in order to persuade them to align their values and behaviours with that of the company's brand. Human Resource managers strive to achieve employee engagement which is driven by six factors: reward, recognition, relationships, opportunity, environment and leadership. Engagement comprises three key elements: 'say' (where employees speak positively about where they work); 'stay' (not only do employees stay, but show this by wanting to contribute to the good of the group) and 'strive' (where an employee goes the extra mile in contributing to the organisation's competitiveness. These factors are closely related to employees acting as brand ambassadors.

Levels of employee engagement (Lockwood 2007:3)

- Engaged employees work with passion and feel a profound connection to their company. They drive innovation and move the company forward.
- Not engaged employees are essentially "checked out". They are sleepwalking through their work day, putting time – not energy or passion into their work.
- Actively disengaged employees are just unhappy at work: they're busy acting out their unhappiness. Every day, these workers undermine what their engaged co-workers accomplish.

Organisations considered as an employer of choice are more likely to attract and retain the best talent and have high levels of engagement. According to Wiley (2009:5), surveys measuring an organisation's reputation as an employer of choice are increasingly focussed on employee engagement.

An equally important construct for creating the right conditions for engaging employees is a supportive organisational culture, which is discussed next.

2.6.4 Supportive culture

Culture can be seen as the heart and soul of an organisation that shapes how its people behave. It's a body of knowledge, beliefs and attitudes employees have about how they should act, and will in turn teach to new joiners. It guides how they think and behave around issues like quality, customers, teamwork, innovation and decision making – all things that directly impact an organisation's performance and how it works with, and is perceived to work with, its stakeholders (Melcrum 2009:2).

According to Gaddam (2008:48), organisational culture comprises the attitudes, beliefs, values and shared norms of an organisation. The physical working environment, the structure of the organisation, the size of the organisation and the organisation's approach to work are part and parcel of an organisational culture. Organisational culture and values have a greater impact on the mission and vision of an organisation. They are powerful communication tools for creating both internal and external branding. Organisational culture is the basic personality of any organisation. Becoming an employer of choice is not about people wanting to hear soft and fuzzy things. It is about disclosing the realities of the corporation and conveying its essence.

Hinkin and Tracey (2010:160) found that one thing organisations among Fortune's Best Company to Work For, had in common was an extremely strong culture of caring that places great emphasis on the importance of the people working there. While there are many definitions of organisational culture, most emphasised the shared values and assumptions that are communicated extensively both verbally and tacitly. DeMarco (2007) stated that organisations need to create a culture, where people actually want to work. Employers of choice have a corporate culture where the working climate is supportive and genuinely appealing. Cultivating a supportive culture is an essential step toward reaching this objective, one in which professional skills and knowledge are developed alongside a sense of identity and personal wellbeing.

Employers of choice have corporate cultures where the workplace climate is supportive and genuinely appealing - often referred to as a “warm climate.” Many corporate objectives state the “desire” to be an “employer of choice” and delegate the sole task to the human resources department.

Unfortunately, corporate officials overlook the basic issues needed in creating a supportive corporate culture. The result is a company with improved benefits, which on the surface makes sense; however, good benefits alone do not create an employer of choice or a positive work environment (DeMarco 2007:30).

Trust is at the forefront of what makes a great place to work at. The leadership of a company is influential in setting a tone of trust that ripples throughout the entire organisation. Middle managers also play an important role and that is where trust is fostered and grown. While employees have a responsibility to demonstrate trust and personal accountability in accomplishing their daily work and performance, management influences employees on a daily basis and has a major responsibility in upholding company policies, values and objectives. They also set a tone for innovation and the ability of employees to grow and develop professionally and personally (Gubman 2011:2).

Gubman (2011:2) clearly stated the dimensions that create a culture of trust:

- Credibility – to be credible, words must be followed by action. Credibility involves open and honest communications between upper management, to/from middle management and subsequently to and between line workers. Managers seeking ideas from employees and then providing information about the company’s direction, plans and challenges will show employees that management is interested in what they have to say. Just as important is the follow through and acknowledgement of ideas submitted. Asking employees to “help” by providing input, will only go so far if management does nothing with or ignores the input given.

- Respect is a word that is cast about on many levels in organisations today. However, the question arises whether managers and employees really know what is involved in respect? Providing employees with the equipment, resources and training to do their jobs and appreciating good work and extra effort shows (as opposed to telling) employees that you respect their efforts and experience. A culture of respect also develops from fostering a spirit of collaboration and enlisting employees in the support of the company's efforts and plans.
- Fairness is demonstrated through an equitable sharing of resources and compensation. Everyone has an opportunity to be recognised for their contribution, and decisions on hiring and promotions are made impartially and free from discrimination. Fairness is also demonstrated through the consistent and timely application of employee and organisational policies from one person to the next. Nothing will diminish moral, and thereby trust, faster than the differential treatment of employees.
- Pride and camaraderie relates to the relationships between employees and their jobs. It is also important to consider whether employees are proud of the work they do, and whether they are executing their tasks to the letter of the law or the spirit. This is most evidenced by how employees describe their work and workplace. Do they say what they do on a daily basis, or do they tell the story of how they were able to implement a process or project that made someone's life better? Finally do employees enjoy each other and develop ways to reward and recognise each other. Do employees find opportunities to make the lives of their co-workers better?

Herman and Gioia (2001:68) further emphasised that employers of choice have a unique culture. Culture in organisation does differ, but the differences are part of what makes employers more or less attractive to different people. Workers have choices, so they will choose the employers and cultures that are most comfortable for them. Google for example is renowned worldwide for its technological innovation and has developed innovative workforce management practices.

The top ten reasons to work at Google (paraphrased) are:

- Being given the opportunity to help.
- Being a part of something that matters and working on products in which you can believe.
- Being part of a valued team.
- Realising that work and play are not mutually exclusive.
- An employer that loves their employees, and wants them to know it.
- Appreciating the rewards of being part of the world's leading organiser of information. Innovation is in the bloodline.
- Googlers come from all sorts of backgrounds and make for interesting cube-mates.
- Uniting the world, we think, act, and work globally, and appeal to those who want to make the world a better place.
- Boldly go where no one has gone before. There are hundreds of challenges yet to solve, and your creative ideas matter and are worth exploring.
- There is such a thing as a free lunch after all. In fact we have them every day: healthy, yummy, and made with love.

In creating a supportive culture, Herman and Gioia (2001:68) recommended that:

- Expect people to be honest and open - an expectation of honesty leads to a culture of openness and straight dealing.
- Honour older workers - employers of choice honour older workers for their wisdom, maturity, and experience.
- Celebrate at every opportunity - celebrations are part of the employer of choice culture. People enjoy celebrating accomplishments and sharing significant experiences together.
- Build a culture of success - create an environment where people naturally assume that they and the company will do very well. High achievement is a way of life for employers of choice.

2.6.5 Career growth opportunities

Personal growth and professional growth are strong motivators for contemporary employees. They want to concentrate on staying current with their skills and participate in company training programmes. In addition, people want to do more than just come to work and leave their brain at the door - they want to be engaged and involved in planning and doing various activities. They want tasks that are meaningful and personally rewarding and want to see value in their work (Bowes 2008:15).

According to Moran (2010:27) career management is an important attribute of an employer of choice and is often overlooked. The author pointed out that today's employees want managers who commit to developing and empowering them. Management should discuss with staff what they want, their aspirations, where they want to be in three, five or ten years' time. They should help staff understand how to advance their careers towards achieving such goals.

However, in many organisations most managers are not skilled in holding meaningful career conversations with their subordinates; developing a culture that encourages and supports career management means training managers to actively support their staff. Marketing an organisation as an 'employer of choice' requires a demonstration of commitment to career management (Moran 2010:27). Swanepoel *et al.* (2003:413, in Gatyeni 2009:26) stated that generally the responsibility of career planning resides in the employee, but the management of an organisation can assist the employee to make more realistic decisions in their career planning and assist employees with the management of their careers. The assistance from management could be continuous employee engagement in talks and feedback (communication). An employee could also be assigned to a mentor by the organisation. Mentoring plays an important role in career advancement. A mentor should be someone that is a senior organisational member and be assigned to a junior organisational member.

Sutherland's *et al.* (2002) study in respect of employer of choice branding for knowledge workers, confirmed that knowledge workers rated career growth opportunities and a challenging work environment as the most important attribute of an employer of choice.

This confirms Herman and Gioia's (2000) findings that growth, meaningful work, involvement and the opportunity to make a difference, are more important today than money, to most knowledge workers.

2.6.6 The rewards, benefits and compensation package

According to Vance (2004, in Guma 2011:37), compensation consists of financial elements (pay and benefits), but may also include non-financial elements or perks, such as on-site day care, employee assistance programs, subsidised cafeterias, travel discounts, organisation picnics and so on. Bowes (2008:15) concurred, stating that although competitive pay is an important issue, employees are also looking for the whole package and seeking broader benefits, such as flexibility, time off or childcare. It is the total package that counts.

The most effective compensation plans support the organisation's strategic objectives. For example, if an organisational strategy hinges on innovation, then the compensation system should encourage and reward risk-taking. A well-designed compensation plan gives an organisation a competitive advantage. According to Roman (2011), competitive pay packages are considered as one of the most popular and highly effective retention strategies that any organisation can use. In order to counter poaching from competitors, organisations should therefore ensure that the salaries of top performers are considerably higher than average performers. It should be no surprise that people want to be treated fairly. Key areas that demand fairness are workload, promotions, pay, rewards and recognition. Many organisations feel that the more they pay employees, the more they will stay.

Research data suggest that once people's basic needs are met, the feeling that they are paid fairly is much greater in explaining their reactions to the workplace than any simple effect for the amount they are paid. Research also found that employees don't want "recognition." They want management to understand the contribution they make and to thank them in a meaningful way.

A genuine "thank you" from a manager can be significantly more effective than many, expensive, institutionalised recognition programs. However, the perception of a recognition program is more important than the program itself. If employees see it as a genuine, honest gesture by management, it is probably effective. If it is seen as a hollow, mechanical process, it may not be producing the results.

According to research conducted by Hinkin and Tracy (2010:167) an analysis of Fortune's Best Companies to Work For, the following was found:

- Profit sharing and gain sharing. All of the organisations had implemented reward and incentive programs that were consistent with the need to maintain logical, transparent reward programs that are meaningful to recipients and relate to the organisation's goals. In particular, every firm maintained a clear connection between performance results and incentives. Performance bonuses were among the most common incentive practices.
- Comprehensive, competitive benefits. In addition to linking performance outcomes to valued incentives and rewards, all of the organisations offered a wide array of benefits to their employees, including several options that further enhance their distinctiveness. The extensive list of benefits includes generous retirement savings programs, college savings plans, choice of health insurance plans, disability insurance, dental and vision insurance, life insurance, auto and home insurance, flexible spending accounts, healthy partners programs, subsidised child and elder care, tuition reimbursement programs, paid time off (including cash-out options), legal and financial services, and company-sponsored credit unions.
- Family and community emphasis. Another key feature of these firms' reward and incentive programs was their emphasis on families and the local community.

A strong community focus was also a salient feature of the reward and incentive programs among the companies. A related prominent theme was an emphasis on sustainability and environmental stewardship. Awards for green initiatives were common among the best employers, and many companies have fairly elaborate and formal programs to support their efforts.

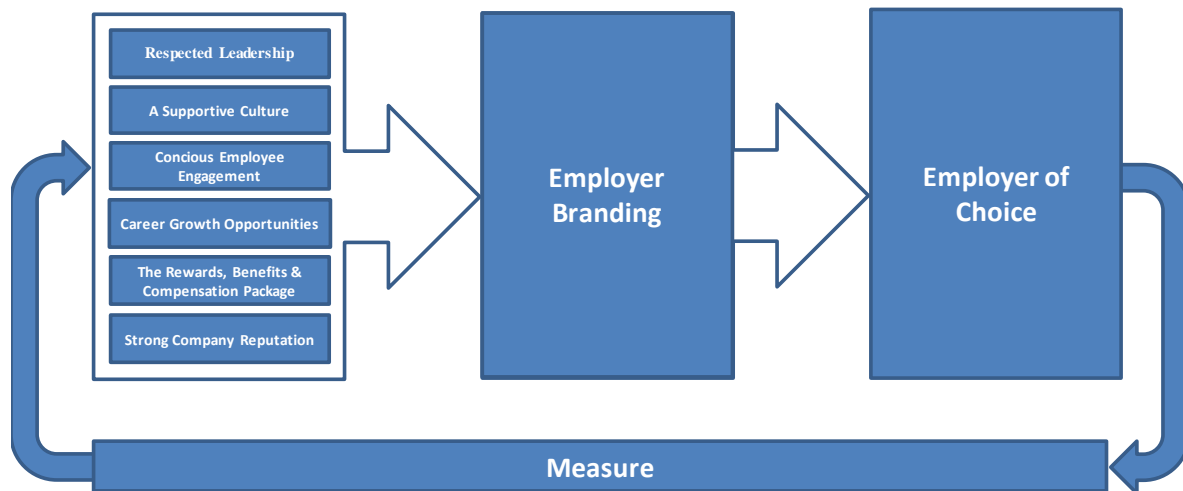
According to Risher (2008:34) pay and performance practices will be focal considerations for years to come. Rewards will be focal concerns in competing for talent. Organisations need to be cognisant of the following:

- Salary programs will need to be more flexible. As a strategic consideration, the jobs that are critical to a company's future should be identified and paid at premium levels.
- The salary program needs to minimise the status and hierarchy distinctions so important in traditional organisations. The old program model sometimes makes it difficult for employees in different salary grades to work together effectively as peers.
- Pay for performance is important. Employers need to develop policies that provide differential rewards. The traditional concern about keeping everyone satisfied undermines the potential impact of the linkage between pay and performance, and it is unlikely to satisfy the 'A' performers.
- Another effective practice is to keep employees informed about new products, company success stories, financial performance, and new marketing campaigns. Employees want to know how their efforts are tied to these developments. When incentives are linked to the performance measures, it reinforces employees' understanding that their contribution is important to their company's success.
- Increase non-cash reward and recognition practices. Young workers want to be recognised for their accomplishments.

Based on the literature reviewed the researcher has developed the following model (Section 2.7) that will be validated in an empirical study presented in Chapter Three. Results of this study will be incorporated and used to adjust the model accordingly.

2.7 CONCLUSION AND PRESENTATION OF MODEL

Figure 2.6: Strategic model for becoming and employer of choice



(Source: Researcher's own construct)

The strategic model above was derived from the literature reviewed. Respected leadership, a supportive culture, conscious employee engagement, career growth opportunities, the rewards, benefits and compensation package and strong company reputation are attributes of an employer of choice that are prominent in literature. These attributes, need to be packaged in a unique and attractive value proposition that sets the organisation apart from its competitors and are appealing to the target group. Employer branding is the vehicle that promotes the organisation as an employer of choice based on its unique value proposition. The research methodology employed in the research study as well as a biographical analysis of the survey respondents are presented in the next chapter.

CHAPTER THREE

RESEARCH METHODOLOGY AND A BIOGRAPHICAL ANALYSIS OF RESPONDENTS

3.1 INTRODUCTION

The primary purpose of this research paper is to identify and investigate organisational attributes of an employer of choice. A questionnaire was constructed as the instrument to examine this and interpret the results to illustrate contemporary perceptions. Therefore this chapter focuses on how the questionnaire was planned, designed, distributed and interpreted in this research.

Secondly, this chapter aims to describe the research paradigm that was used in this study and to provide an outline of the research methodology, the research instruments and the structure thereof. In this sense, the empirical work that will be reported on in subsequent chapters is linked to the theory covered in the preceding chapters. A full review of the biographical information of the survey results are presented toward the end of this chapter, followed by concluding remarks.

3.2 RESEARCH METHODOLOGY

3.2.1 Research theory

Leedy and Ormrod (2005:2) defined research as a systematic process of collecting, analysing and interpreting information in order to increase our understanding of the phenomenon in which the researcher is interested.

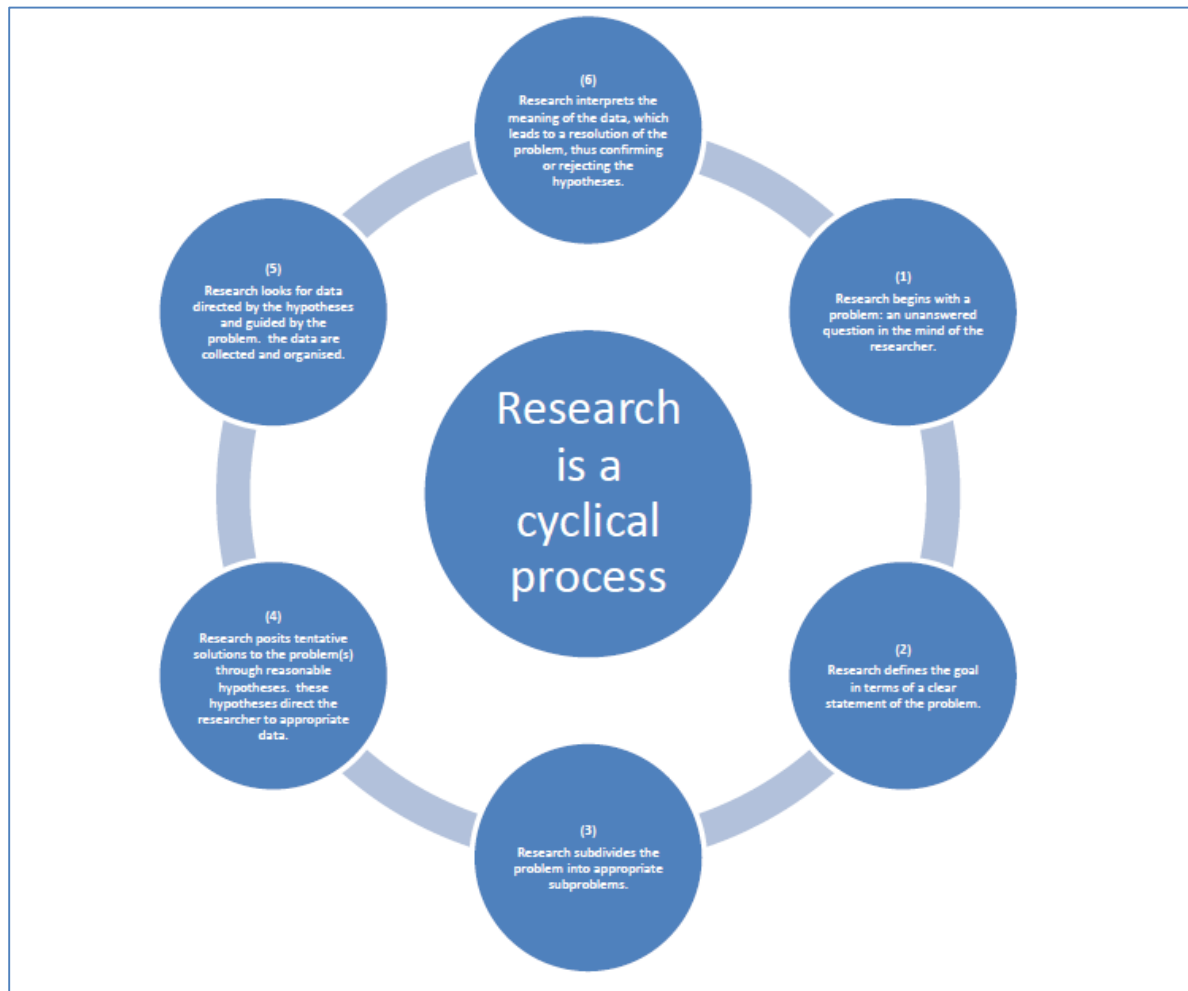
According to Collis and Hussey (2009:3), research means different things to different people. From the different definitions offered, there appears to be a general agreement that:

- Research is a process of enquiry and investigation;
- It is systematic and methodical; and
- Research increases knowledge.

3.2.2 The research process

Research by nature is cyclical; it is a logical process and follows a series of developmental steps. Figure 3.1 below summarises the research steps as defined by Leedy and Ormrod (2005:7):

Figure 3.1: The research cycle



(Source: Leedy & Ormrod 2005)

Research should be rigorous and thorough and ensure that all aspects of a particular subject are comprehended and considered. It is coherent, logical and organised.

According to Collis and Hussey (2009:3), research is undertaken to:

- Review and synthesise existing knowledge;
- Investigate an existing problem;
- Explore and analyse the nature of the environment and existing problem;
- To construct or create a new view or body of knowledge; or
- Any combination of the aforesaid items.

3.2.3 Types of research

The various types of research are defined as follows:

- **Exploratory research** - to gain a broad understanding of a situation, phenomenon, community or person (Bless & Higson-Smith 2000:41). According to Babbie (2001:92), exploratory studies are typically done to satisfy the researcher's curiosity and desire for better understanding, to test the feasibility of undertaking a more extensive study and to develop the methods to be employed in any subsequent study.
- **Descriptive research.** According to De Vos, Strydom, Fouche and Delport (2002:109), descriptive research represents a picture of the specific details of a situation, social setting or relationship, and focuses on "how" and "why" questions. Descriptive research is aimed at conducting an investigation in order to observe, describe and at times to classify information (Polit & Hungler 1995:19).
- **Analytical research** - goes further than descriptive research. The researcher goes beyond merely describing the characteristics, to analysing and explaining why or how it is happening. Thus it aims to understand the phenomena by discovering and measuring causal relations among them (Collis & Hussey 2009:5).

3.2.4 Research paradigms

According to Collis and Hussey (2009:55), a research paradigm is a philosophical framework that guides how scientific research should be conducted.

Growth in the need for research in social sciences has resulted in the emergence of varying research paradigms, mainly positivism and anti-positivism (Nirod 2005).

The research approach to these two paradigms is quantitative (positivism) and qualitative (anti-positivism). The quantitative or positivistic paradigm is based on the belief that reality is independent of us and the goal is the discovery of theories based on empirical research. This approach utilises logical reasoning and objectivity over intuition and experience in the process of conducting research. Positivists view knowledge as descriptive rather than questioning and recognise only those things that can be seen, measured or counted as facts. The research assumes deductive reasoning and the focus is on providing explanatory theories to understand social phenomena (Collis & Hussey 2009:56).

In the quantitative paradigm, the researcher knows clearly in advance what he/she is looking for and all aspects of the study are carefully designed before data is collected. The researcher uses tools such as questionnaires or equipment to collect numerical data that is in the form of numbers and statistics. In the quantitative paradigm, data is more efficient in comparison to data of the qualitative paradigm (Gerber 2011).

In contrast, the qualitative or phenomenological paradigm is concerned with what things mean, rather than with identifying and measuring phenomena. Focus is placed on understanding human behaviour from the participants own frame of reference. Phenomenologists believe that social reality is subjective and dependent on the mind and is therefore affected by the act of investigating it (Gerber 2011).

Unlike positivism, the phenomenological approach follows an inductive reasoning approach to the research process moving from specific observations to broader generalisations and theories (Collis & Hussey 2009:57). In this paradigm the researcher may only know roughly in advance what he/she is looking for as the design emerges as the study unfolds. The researcher is the data gathering instrument and data is in the form of words, pictures or objects. Qualitative data is therefore richer and more time consuming (Gerber 2011).

The use of different research approaches, methods and techniques in the same study is known as triangulation (Collis & Hussey 2009). Gill and Johnson (2002, in Guma 2011:73) defined triangulation in three ways:

- (i) The use of different research methods in the same study to collect data so as to check the validity of any findings.
- (ii) The collection of different data upon the same phenomena, sometimes using different researchers so as to validate any findings.
- (iii) Collecting data upon the same phenomena at different times and places within the same study.

It is against the background of the theoretical information presented in the previous paragraphs that this section on the research methodology of the study is presented. Methodology according to Leedy and Ormrod (2005:12) is the general approach the researcher takes in carrying out the research project; to some extent, this approach dictates the particular tools the researcher selects.

3.2.5 The research problem

The challenges in the South African automotive industry, due to globalisation, government pressures and the need to improve competitiveness and productivity, as well as the increased popularity of the *employer of choice* concept has led to the following question:

How can automotive companies gain competitive advantage by enhancing employee commitment via an employer of choice strategy?

Authors are of the opinion that an *employer of choice* status can be used as a unique talent attraction and retention strategy as well as a strategic tool to enhance productivity and performance. However, to become and remain an employer of choice presents a major challenge for organisations. While many organisations and literature prescribe key inputs to the achievement of an *employer of choice* status, little has been done to test whether these actually work in real life situations.

This has formed the basis for the exploration of the main problem of this study: **An investigation into the organisational attributes of an employer of choice.**

3.2.6 Application of methodology

There were two main aspects that needed to be accomplished in this study. One was to determine what literature revealed are the attributes of an employer of choice. From the literature reviewed, six prominent employer of choice attributes were identified namely, respected leadership, the rewards, benefits and compensation package, a supportive culture, conscious employee engagement, career growth opportunities and strong company reputation.

These attributes form part of a unique value proposition that an employer of choice would typically through employer branding market to both employees and potential employees in order to attract, motivate and retain the talent needed for business success. The second aspect of the study was to evaluate whether the literature findings are congruent with the perceptions of employees in an automotive company.

The scope of the study best fits with the quantitative (positivistic) paradigm given that the researcher knew clearly in advance what he/she was looking for and all aspects of the study were clearly designed before data was collected. Furthermore, the positivistic paradigm is best suited because it can test the responses to the questionnaire statistically. Both primary research (surveys) and secondary research (internal and external published and un-published media) sources have been utilised.

3.3 THE LITERATURE REVIEW

According to Collis and Hussey (2009:91), a literature review is a critical evaluation of the existing body of knowledge on a topic, which guides the research and demonstrates that the relevant literature has been located and analysed. A literature search is a systematic process with a view to identifying the existing body of knowledge on a particular topic, specifically secondary data (data that already exists).

In this study the literature search was conducted using research databases available on the Nelson Mandela Universities (NMMU) off-campus and on-campus website, such as EBSCOHost, Emerald and the NMMU's library database. Other sources included the World Wide Web, and various published and unpublished sources.

According to Leedy and Ormrod (2005), research can be classified as basic or applied research. The purpose of basic research, or otherwise known as pure research, is to evaluate concepts and theories to contribute to the general body of knowledge. Applied research on the other hand attempts to solve existing, real-life problems.

By these definitions this study can be categorised as basic research. The study systematically evaluates the current body of knowledge pertaining to the concept of employer of choice, to understand the revolution of the topic and its recent prominence. In addition, it serves to evaluate the significance of becoming an employer of choice; highlight trends resulting in the need for becoming an employer of choice; identify the various attributes of an employer of choice as well as recommend strategies to attain such a status. Thereafter, the findings of the literature review were evaluated in an empirical study to enable the researcher to provide insight, make inferences and conclusions for companies coveting an employer of choice status.

3.4 THE QUESTIONNAIRE

A survey is a positivistic method whereby a sample of subjects is drawn from a population and studied to make inferences about the population. The research is both exploratory and descriptive in nature. The data for this study was gathered using a self-administered questionnaire. According to Collis and Hussey (2009:191), a questionnaire is a list of carefully structured questions, chosen after considerable testing, with a view to eliciting reliable responses from a chosen sample. The aim is to find out what a selected group of participants do, think or feel.

Questionnaires are a popular method for collecting data and are associated with both the positivistic and phenomenological methodologies (Collis & Hussey 2009:192).

3.4.1 Design of the questionnaire

In an attempt to solve the main problem of the study, the questionnaire was carefully constructed based on the findings of the literature reviewed. The researcher aimed to evaluate employee perceptions based on these findings in the empirical study. The questionnaire was designed with simplicity in mind, however care was taken to ensure a balance between simplicity in design as well as focus on solving the research problem, i.e. the identification of attributes of an employer of choice.

A cover letter was constructed and attached to each questionnaire. The purpose of the letter was to encourage employees to understand the purpose of the study, to kindly ask for their assistance and to motivate them to complete the questionnaire. The cover letter also explained the auspices under which the study was conducted. The cover letter assured the respondents that the information would be kept confidential.

The questionnaire (see appendix 2) was divided into four sections:

- Section A – Demographic profiling,
- Section B – Rank importance of the attributes of an employer of choice, and
- Section C – comprises seven sub-sections detailing the organisational attributes of an employer of choice listed from A-G.
 - A. Employer of choice
 - B. Respected leadership
 - C. Strong company reputation
 - D. Conscious employee engagement
 - E. A supportive culture
 - F. Career growth opportunities
 - G. The rewards, benefits and compensation package
- Section D – Extent to which the respondents agreed with the identified attributes of an employer of choice.

3.4.2 Design of the questions

According to Collis and Hussey (2009:193), questions should be presented in a logical order and it is beneficial to move from general to specific topics. This is known as funnelling.

The researcher should also give precise instructions (for example whether to tick one or more boxes, or whether a number or word should be circled to indicate responses). The clarity of the instructions and the ordering and presentation of the questions can do much to encourage and help respondents. These factors can also make the subsequent analysis of the data easier. The researcher designed the questions keeping the aforementioned in mind.

According to Collis and Hussey (2009:198), classification questions are questions that set out to find out more about the participant. In the questionnaire, classification questions were included to establish the position held, gender, age, length of employment and the department of the employee. These questions enabled the cross tabulation and statistical analysis of the data, using a nominal scale of measurement.

Closed-ended questions are questions where the respondent's answers are selected from a number of predetermined alternatives (Collis & Hussey 2009:200). Since the objective was to find factual data that will be easy to analyse, the questionnaire was constructed using only closed-ended questions. Closed questions are very convenient and are easy to analyse, since the range of potential answers is limited and can be coded in advance (Collis & Hussey 2009:200).

In this research each section in the questionnaire was represented by a set of different types of questions. Section A used a set of closed questions, in section B participants were asked to rank a list of items in order of importance, section C used a Likert rating scale, which according to Collis and Hussey (2009:202), is one of the more frequently used types of scales.

The following scale range was applied to the Likert scale used in Section C.

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

Lastly, section D required participants to either select *true* if they agreed, or *false* if they disagreed with each of the identified attributes of an employer of choice.

Each section contained detailed instructions on how the section was to be completed by the participants. Participants were instructed to place an “x” in the box that indicated their choice of answer relating to the specific question or statement, except for section B where participants were asked to rank a list of attributes in order of importance.

All questions were posed in a positive context. The benefit of this was to discourage leading statements, i.e. leading the respondent into a negative context. The researcher aimed to invalidate the negative context, therefore if the answer is “Disagree”, then it is actually so.

3.4.3 Testing the questionnaire

Blumberg, Cooper and Schindler (2008:74) stated that a pilot test is conducted to detect weakness in design and instrumentation, and to provide proxy data for selection of a probability sample. It should, therefore, draw subjects from the target population and simulate the procedures and protocols that have been designed for data collection. A pilot study is therefore an essential element of testing the questionnaire prior to distribution. According to Collis and Hussey (2009), the researcher can have colleagues or friends read through the questionnaire and play the role of respondents, even if they know little about the subject.

Prior to distribution, the questionnaire was tested on five respondents in a pilot study, to identify possible problems or weaknesses such as uncertainty with interpretation of the survey questions in the different sections of the questionnaire. Feedback from the test group indicated that the questions in the questionnaire were clear and self-explanatory.

3.4.4 Distribution

The questionnaire was personally distributed by the researcher to each respondent in the selected sample (see appendix 2). Respondents were requested to hand deliver their completed questionnaires to their respective departmental head secretary.

The researcher personally collected these from each secretary. The questionnaire was supported by a covering letter (see appendix 1) addressed to the respondents. The covering letter stated the purpose of the research and also assured the respondents that all information obtained will be treated as confidential.

3.5 SAMPLE AND VALIDITY

3.5.1 Sample

A population according to Collis and Hussey (2009:209) is a body of people or collection of items under consideration for statistical purposes. For this research, the population comprised all the office staff at the company's head office situated in Port Elizabeth. A sample is a subset of a population.

In a positivist study, a sample is chosen to provide an unbiased subset that represents the population (Collis & Hussey 2009:210). According to Struwig and Stead (2001:109), collecting information from a sample is more practical and accurate than collecting information from the entire population. If a population is relatively small, the researcher can select the whole population otherwise a random sample of the population should be selected.

A random sample is one where every member of the population has a chance of being chosen. Therefore, the sample is an unbiased subset of the population, which allows the results obtained from the sample to be taken to be true for the whole population; in other words, the results taken from the sample are generalisable to the population (Collis & Hussey 2009:211).

Collis and Hussey (2009:210) provided the following steps in selecting a random sample that was adopted by the researcher:

1 *Define the target population:*

In this study this was all office staff at the organisations head office located in Port Elizabeth.

- 2 *Obtain or construct a sampling frame in order to find out how many items there are in the population:*

A sample frame for this study was in the form of a list of all office staff based at the organisation's head office. This list was obtained from the organisation's Human Resources Department.

- 3 *Determine the minimum sample size:*

The total population amounted to 350 employees. This included management, supervision and staff. According to Collis and Hussey (2009), it is common to accept a degree of uncertainty in the conclusions drawn, therefore selecting a sufficiently large random sample to allow the results to be generalised to the population may not be vital. The researcher has elected a sample that represents approximately 30% of the total population. This amounted to a sample of 110 employees.

- 4 *Choose a sampling method:*

The researcher chose to adopt a random sampling method to ensure every member of the population had a chance of being selected. A number was allocated to every member of the population and a sample was selected based on the numbers given in a random table.

3.5.2 Validity and reliability

Validity and reliability are important factors to be considered during the data collection process (Leedy & Ormrod 2005).

According to Collis and Hussey (2009:204), reliability is concerned with the findings of the research. The findings can be said to be reliable if the researcher or someone else repeats the research and obtains the same results.

Validity on the other hand, is concerned with the extent to which the research findings accurately represent what is happening in the situation, in other words whether the data collected represent a true picture of what is being studied (Collis & Hussey 2009:204).

In this study the measuring instrument is the questionnaire, which was designed to fulfil the research objectives and answer the research questions posed in the problem statement. The research instrument demonstrates face validity. A draft questionnaire was tested in a pilot study among respondents that represent the target population and subsequent sample. The questionnaire was also reviewed by a senior human resources director at the Nelson Mandela Metropolitan University (NMMU). Feedback obtained was incorporated.

3.6 STATISTICAL ANALYSIS

Each questionnaire received was printed, numbered and collated. The raw data was tallied using a Microsoft, excel spread-sheet. The use of statistical techniques on the excel spread-sheet assisted in adding up and deriving statistical data for analyses and decision-making purposes.

3.7 ANALYSIS OF THE BIOGRAPHICAL INFORMATION

3.7.1 Total population – response rate

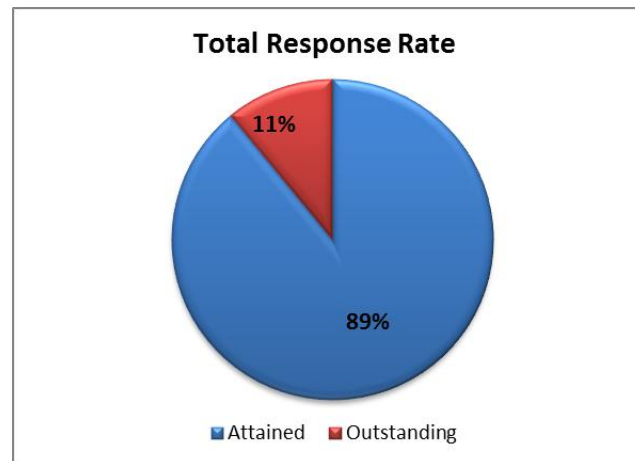
Of the 110 questionnaires distributed, 98 responses were received, representing a response rate of 89%. These results are presented in Table 3.1 and in Chart 3.1 below.

Table 3.1: Total population - response rate

	Frequency	Percentage
Attained	98	89%
Outstanding	12	11%
TOTAL	110	100%

(Source: Results obtained from analysis of survey responses by total population)

Chart 3.1: Total population - response rate



(Source: Results obtained from analysis of survey responses by total population)

Wallace and Mellor (1988, in Collis & Hussey 2009:177) suggested methods for dealing with non-response questionnaires “A comparison of the characteristics of those who responded with those of the population, assuming you know them”, that can be used. Omitting to answer questions, according to Collis and Hussey (2009:177), can be overcome by making an educated guess from the respondent’s other answers, but that a response questionnaire with a large number of non-responses should be omitted from the analysis. In some cases, these methods were used by the researcher for non-response questionnaires, each one of which is put forward and explained below:

- 2 x response questionnaire: ‘the currently employed as’ portion was incomplete (the response questionnaire was still used, using an educated guess method);
- 2 x response questionnaire: two section C questions were incomplete (the response questionnaire was still used, using an educated guess method); and
- 7 x response questionnaires: a large portion of questions were incomplete (these could not be used in the survey analysis and were therefore omitted).

3.7.2 Nationality – response rate

The response rate by nationality is divided between the following groups: 11 Africans which constitute 12% of the responses; 46 Coloureds representing 51% responses; 7 Indians which is an 8% response and 27 Whites - 30% response.

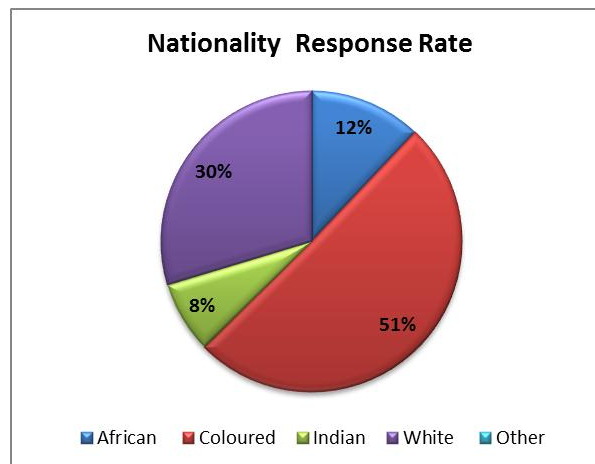
The two main sub-categories are therefore Coloured and White, followed by African. These results are represented in Table 3.2 and in Chart 3.2 below.

Table 3.2: Nationality - response rate

	Frequency	Percentage
African	11	12%
Coloured	46	51%
Indian	7	8%
White	27	30%
Other	0	0
TOTAL	91	100%

(Source: Results obtained from analysis of survey responses by nationality)

Chart 2.2: Nationality - response rate



(Source: Results obtained from analysis of survey responses by nationality)

3.7.3 Years of service – response rate

Of the responses received, 20 employees (22%) are in the company's employ between 0-5 years, 15 (16%) between 6-10 years, 19 (21%) between 11-15 years, 21 (23%) between 16-20 years and 16 (18%) for more than 20 years.

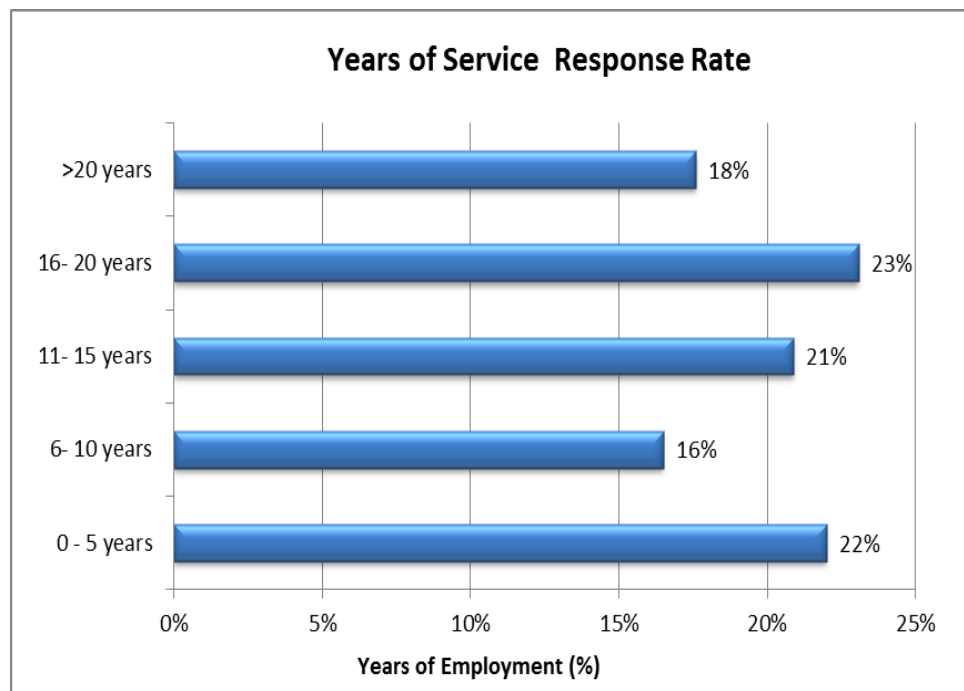
Although responses by length of service are relatively evenly spread across various bands, the majority of respondents fall in both the 0-5 years and 16 -20 years category respectively. These results are represented in Table 3.3 and in Chart 3.3 below.

Table 3.3: Years of service - response rate

	Frequency	Percentage
0-5 years	20	22%
6-10 years	15	16%
11-15 years	19	21%
16-20 years	21	23%
>20 years	16	18%
TOTAL	91	100%

(Source: Results obtained from analysis of survey responses by years of service)

Chart 3.3: Years of service - response rate



(Source: Results obtained from analysis of survey responses by years of service)

3.7.4 Gender – response rate

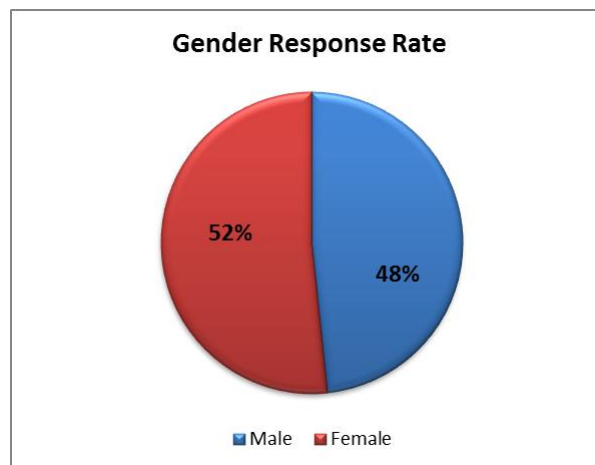
52 % (47) of the respondents are female and 48% (44) are male. These results are represented in Table 3.4 and in Chart 3.4 below.

Table 3.4: Gender - response rate

	Frequency	Percentage
Female	47	52%
Male	44	48%
TOTAL	91	100%

(Source: Results obtained from analysis of survey responses by gender)

Chart 3.4: Gender - response rate



(Source: Results obtained from analysis of survey responses by gender)

3.7.5 Highest qualification – response rate

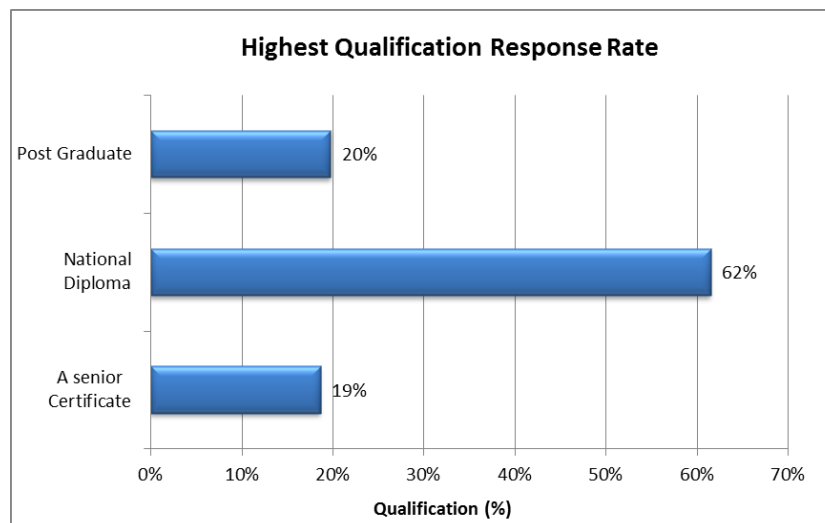
Of the responses received, 17 (19%) employees have a senior certificate (matriculation – grade 12), 56 (62%) have a national diploma/degree and 18 (20%) have a post graduate qualification. These results are represented in Table 3.5 and in Chart 3.5 below.

Table3.5: Highest qualification - response rate

	Frequency	Percentage
Senior Certificate	17	19%
National Diploma/ Degree	56	62%
Post Graduate	18	20%
TOTAL	91	100%

(Source: Results obtained from analysis of survey responses by highest qualification)

Chart 3.5: Highest qualification - response rate



(Source: Results obtained from analysis of survey responses by highest qualification)

3.7.6 Position in company – response rate

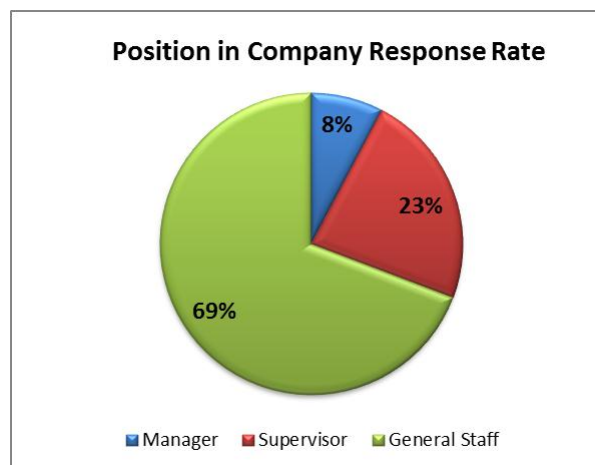
Respondents were asked to indicate their position in the company based on three categories. From the results obtained, 7 (8%) of the sample comprised management staff, 21 (23%) are supervisors and 63 (69%) are general staff members. These results are presented in Table 3.6 and in Chart 3.6 below.

Table 3.6: Position in company - response rate

	Frequency	Percentage
Manager	7	8%
Supervisor	21	23%
General Staff	63	69%
TOTAL	91	100%

(Source: Results obtained from analysis of survey responses by position in the company)

Chart 3.6: Position in company - response rate



(Source: Results obtained from analysis of survey responses by position in the company)

3.7.7 Age – response rate

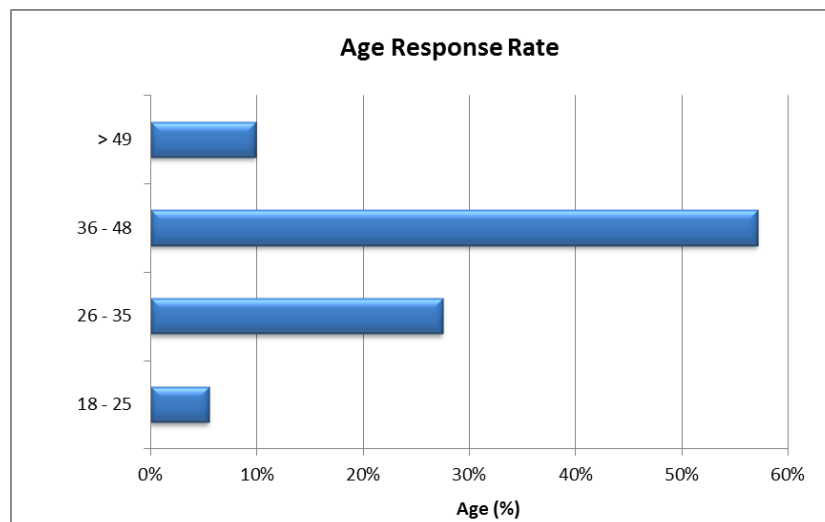
In the category of age, 5 employees were between 18 and 25 years of age, representing a 5% response, 25 employees were between 26 and 35 years of age, being a 27% response, 52 employees were between 36 and 48 representing a 57% response rate and 9 employees were 49 years of age and older, representing a response of 10%. These results are presented in Table 3.7 and in Chart 3.7 below.

Table 3.7: Age - response rate

	Frequency	Percentage
18-25	5	5%
26-35	25	27%
36-48	52	57%
>49	9	10%
TOTAL	91	100%

(Source: Results obtained from analysis of survey responses by age)

Chart 3.7: Age - response rate



(Source: Results obtained from analysis of survey responses by age)

3.8 CONCLUSION

In this chapter, an overview of research theory, the research process and the various types of research and research paradigms were discussed. Coupled with this the rationale for selecting the quantitative research paradigm in this study was described and justified.

Furthermore, the researcher explained the literature review undertaken in Chapter Two, as well as the questionnaire design and the structuring of the questions.

In addition, the testing of the questionnaire as well as sampling technique and the reliability and validity of the measuring instrument was explained.

A random sampling method was selected for this research to provide every member with an equal chance of being selected for the survey. Finally, the research instrument demonstrated face validity which was verified by means of a pilot survey executed with the help of five individuals who were representative of the target population. The questionnaire was also reviewed by a senior human resources director at the Nelson Mandela Metropolitan University. To this end, this exercise also enhanced the reliability of the research instrument.

The questionnaire was drawn up using information emanating from the literature review presented in Chapter Two of the study, and distributed to 110 respondents based at the organisations head office in Port Elizabeth. The response rate was 89% (98 responses). Some of the key indicators in the biographical analysis of the survey results were as follows: 51% of respondents were white, 23% employed with the company between 15 – 20 years followed by 22% between 0-5 years; 52% were female and 48% male; 62% holds a national diploma and/or degree; 57% are between 36-48 years of age and 69% are general staff.

The data obtained from the surveys will be analysed and interpreted in the following chapter.

CHAPTER 4

ANALYSIS, INTERPRETATION AND DISCUSSION OF THE RESEARCH RESULTS

4.1 INTRODUCTION

In Chapter Three of this study the research methodology employed was discussed and a full review of the biographical information of the survey results was presented. The results of the empirical study will be analysed and interpreted in this chapter. The responses received from the respondents that participated in this study were summarised in tabular form for each section of the questionnaire. The results of each section will be analysed and interpreted by the researcher.

The chapter commences by analysing Section B of the questionnaire where respondents were required to rank the six attributes of an employer of choice that were identified during the literature review conducted by the researcher. This section will be analysed by adding, for each attribute, the ranking obtained from each respondent and then the average ranking for each individual attribute is calculated by dividing the results with the total number of respondents. The average ranking of each factor is calculated and presented in a table with the attribute having the lowest calculated average ranking, representing the attribute that respondents feel is the most important attribute of an employer of choice.

In section C the respondents had to indicate the extent to which they agreed with each of the thirty statements in the section ranging on a 5 point Likert scale from “Strongly Disagree” to “Strongly Agree”. According to Collis and Hussey (2009:202) data collected by means of a Likert Scale is ordinal data. When analysing ordinal data, bar charts should be used for display purposes. In the light of this, the interpretation and discussion of results are supported by horizontal bar charts and tables.

In section D, for each of the six identified attributes of an employer of choice, respondents had to indicate “true” if they agreed that the item is an important attribute of an employer of choice and “false” if they felt it was not an important attribute of an employer of choice. The results for true and false, by attribute, as well as a total average respectively are presented in a table and a bar chart.

4.2 THE RANKED IMPORTANCE OF THE ATTRIBUTES OF AN EMPLOYER OF CHOICE

Table 4.1: Ranked order of the attributes of an employer of choice

Attributes of an employer of choice	No of Responses	Total Combined Responses	Average Rank	Rank
Respected leadership	87	231	2.66	1
Conscious employee engagement	87	315	3.62	4
A supportive culture	87	382	4.39	6
Career growth opportunities	87	238	2.74	2
Rewards, benefits and compensation	87	283	3.25	3
Strong company reputation	87	368	4.23	5

(Source: Survey Questionnaire: Section B)

Table 4.1 indicates the results of the order in which the respondents ranked the six attributes of an employer of choice in section B of the questionnaire. The ranking order of the attributes is as follows:

- 1 **Respected leadership** – senior leadership in the organisation who are visionary, visible, and accessible that emphasise the strategic value of people.
- 2 **Career growth opportunities** – are sufficient and the company's actions clearly support the career development and advancement of employees.
- 3 **Rewards, benefits and compensation** – that are linked to performance and valued by employees.
- 4 **Conscious employee engagement** – that encourages employees to work with passion and feel a profound connection to the company.
- 5 **Strong company reputation** – confidence in the enduring strength of the company's brand and reputation.
- 6 **A supportive culture** – that is warm, pleasant and genuinely appealing.

This section of the questionnaire aimed at identifying the order of importance in which respondents ranked the identified attributes of an employer of choice. In order to be deemed an employer of choice among the workforce, the organisation should not only focus on the attributes that need attention but also place more emphasis on those that are deemed most important to employees. This however does not imply that some attributes are not important. In this study, respected leadership has been identified by employees as the most important attribute of an employer of choice, followed by career growth opportunities and rewards, benefits and compensation.

The results above confirm Bowes' (2008:14) findings that employees want to see ethical and respected leaders who are visible and accessible, they want leaders who can see into the future and steer the company through challenging times. Creating an environment that is characterised by high levels of employee engagement, meaningful work, career growth opportunities and a supportive culture that requires leaders whose management behaviours reinforce that environment. The above results further confirm a statement by Herman and Gioia in a study conducted in 2001, that respected leadership is the most powerful component of an employer of choice.

Career growth opportunities were rated as the second most important attribute. This confirms the literature available, which suggests that a key characteristic of an employer of choice is that it provides personal career growth opportunities. It also confirms Herman and Gioia's (2001) findings that growth, meaningful work, involvement and the opportunity to make a difference, are more important than money is today. Johnson (2000, in Sutherland *et al.* 2002:13) stated that in today's world reward is increasingly based not just on money, but on a balanced lifestyle, with priorities based on challenge and personal development.

Rewards, benefits and compensation packages were rated as the third most important attribute. Once again this supports the literature findings. Bowes (2008:14) stated that although competitive pay is an important issue, employees are looking for the whole package and seeking broader benefits such as flexibility, time off or childcare.

It is the total package that counts. Branham (2005:8) noted that: 'When it comes to pay most talented people seem to want something more – something most companies don't give – and the assurance that the better they perform, the more they can earn'. Risher (2008:34) supported this notion by pointing out that rewards will be focal concerns in competing for talent and *employer of choice* companies must develop creative reward, benefits and compensation packages to support their recruitment and staffing plans.

4.3 ANALYSIS AND INTERPRETATION OF SECTION C - ATTRIBUTES OF AN EMPLOYER OF CHOICE

4.3.1 Employer of Choice

Table 4.2: Employer of choice

Employer of Choice		Valid N	SD%	D %	N %	A %	SA%	x-bar	StdDev
1	This is the best organisation to work for in South Africa	91	9.9	41.8	30.8	16.5	1.1	2.57	0.92
2	If I had a choice, I will choose to work for this organisation over other organisations	91	5.5	46.2	29.7	15.4	3.3	2.65	0.95
3	In my opinion this organisation is an employer of choice in this industry	91	8.8	47.3	18.7	22.0	3.3	2.64	1.04
4	I promote this organisation as a great place to work among my family and friends	91	1.1	34.1	33.0	28.6	3.3	2.99	0.90
5	Employees are valued as assets at this organisation	91	7.7	44.0	27.5	17.6	3.3	2.65	0.97

6	This organisation is a good investor in its people	91	3.3	25.3	29.7	37.4	4.4	3.14	0.96
7	I am proud to be an employee of this organisation	91	1.1	22.0	26.4	45.1	5.5	3.32	0.92
8	I feel emotionally attached to this organisation	91	8.8	36.3	31.9	17.6	5.5	2.75	1.03
9	I feel loyalty for this organisation	91	3.3	28.6	24.2	35.2	8.8	3.18	1.05
	SUB TOTAL AVERAGES		5.5	36.1	28.0	26.1	4.3		

(Source: Results obtained from analysis of survey responses - Section C)

The overall average as presented in table 4.2 above is not favourable, i.e. disagree is at 36.1% compared to agree which is at 26.1%. It should be noted that a considerable number (28%) of respondents selected the neutral option.

The majority of respondents disagreed with six of the nine questions posed in this section. Four of these six questions were well above the average in the disagree category:

- Question 3: the percentage of respondents that do not view the organisation as an employer of choice in the automotive industry is 47.3%;
- Question 2: 46.2% indicated that if they had a choice, they would choose to work for another organisation;
- Question 5: 44.0% of respondents do not believe that employees are treated as assets at the organisation; and
- Question1: 41.8% do not view the organisation as the best company to work for in South Africa.

The remaining 2 questions in the disagree category are question 8, where 36.3% of employees stated that they do not feel emotionally attached to the organisation and 34.1% (question 4) do not promote the organisation among family and friends as a great place to work.

The findings of question 3 and 2 above are congruent with the work of Sherwood (2008:23) who stated that being an employer of choice means that people will choose to work for you over other employers. The author suggested that there is a direct correlation between employee perceptions of an organisation as an employer of choice and whether they would choose to be employed at that organisation.

Dorna (2007:30) stated that an employer of choice is also about what employees say about the company to outsiders. In light of this, it is of concern that 34.1% of employees do not promote the organisation as a great place to work amongst their family and friends.

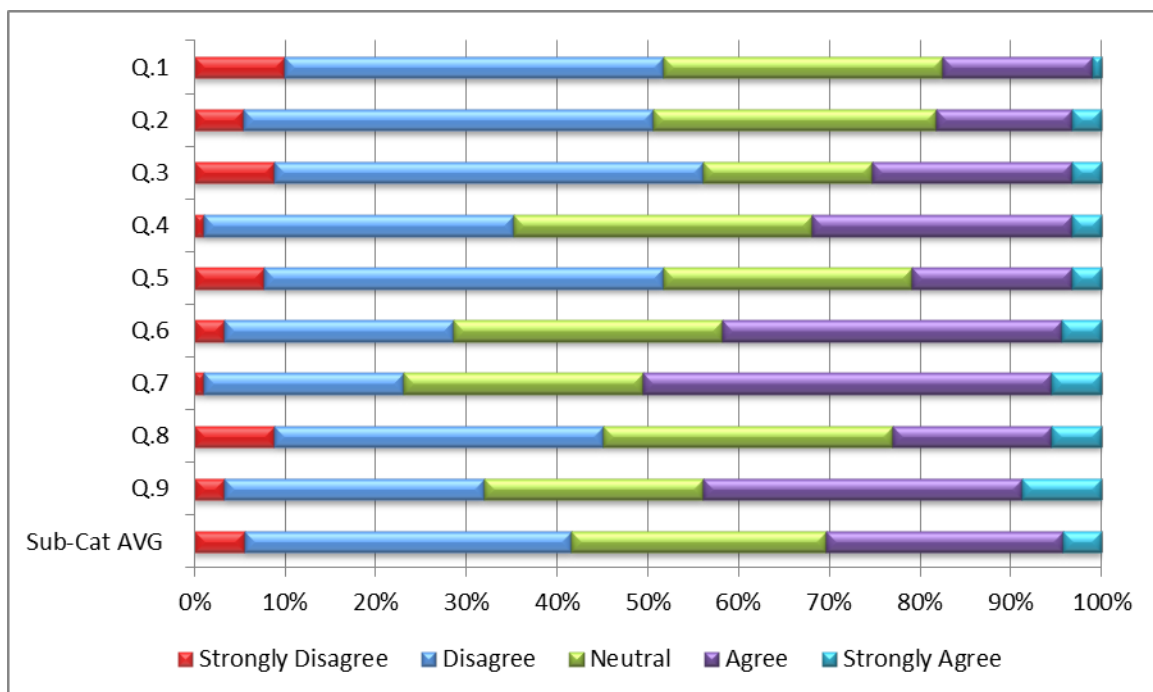
Despite the negative findings stated above. The majority of respondents agreed with 3 of the 9 questions posed in this section. These 3 questions were well above the category average of 26.1%.

- Question 7: 45.1% of the respondents are proud to be employed at the organisation;
- Question 6: 37.4% believe that the company is a good investor in its people; and
- Question 9: 35.2% feel loyal to the organisation.

In order to change the negative perceptions and move toward becoming an employer of choice, the company will need to capitalise on the fact that employees are proud to be associated with the organisation, they do believe the organisation is a good investor in its people and that employees do feel loyalty for the organisation. However, more effort needs to be placed on improving the areas of concern highlighted above.

The overall perception by employees that the organisation is not an employer of choice can also be driven by their experience (positive or negative) and perception of the 6 attributes of an employer of choice in the organisation. It is important to note that of the 6 attributes identified that are prominent in the literature reviewed, respected leadership has been identified by respondents as the most important attribute of an employer of choice. This is followed by career growth opportunities and rewards, benefits and compensation. If these are weak areas, they should be the primary focus for the organisation. The next section aims to investigate the aforesaid. Chart 4.1 depicts the responses to the questions pertaining to employer of choice in section C of the questionnaire.

Chart 4.1: Employer of choice



Source: Results obtained from analysis of survey responses: Section C

4.3.2 Respected leadership

Table 4.3: Respected leadership

	Respected Leadership	Valid N	SD %	D %	N %	A %	SA %	x-bar	StdDev
1	Leaders at this organisation think and operate strategically	91	4.4	31.9	29.7	30.8	3.3	2.97	0.97
2	Leadership really cares about whether employees are happy at this organisation	91	8.8	50.5	30.8	6.6	3.3	2.45	0.87
3	Leadership at this organisation is visible and accessible	91	1.1	30.8	24.2	39.6	4.4	3.15	0.95
4	Leadership at this organisation encourages and embraces change	91	4.4	27.5	34.1	30.8	3.3	3.01	0.95
5	I trust leadership in this organisation	91	3.3	47.3	30.8	15.4	3.3	2.68	0.89
6	Leadership communicates a clear vision and mission	91	4.4	37.4	22.0	33.0	3.3	2.93	1.01
7	Leadership is taking steps to ensure organisational long term success	91	3.3	19.8	36.3	34.1	6.6	3.21	0.95
	SUB TOTAL AVERAGES		4.2	35.0	29.7	27.2	3.9		

(Results obtained from analysis of survey responses: Section C)

The number of overall responses on average for the disagree, neutral and agree categories were relatively similar in this section. Disagree is 35.0%, neutral at 29.7 % and agree at 27.2%.

Of the seven questions posed, the majority of respondents disagreed with four of the questions. Three of these questions scored well above the total average for the disagree category:

- Question 2: 50.5% disagree that leadership really cares about whether employees are happy;
- Question 5: 47.3% do not trust leadership; and
- Question 6: 37.4% do not believe that leadership communicates a clear vision and mission.

For the remaining question in the disagree category (question 1), 31.9% do not agree that leaders think and operate strategically. It should also be noted that the percentage of respondents that disagreed to this question, were closely followed by 30.8% of employees that agreed.

Respondents in this study ranked leadership as the most important attribute of an employer of choice and do not regard the organisation as an employer of choice. In order to change this perception, the weak areas above should be the primary focus of the organisation. Special attention needs to be paid to the fact that an overwhelming 47.3% of respondents do not trust leadership.

The findings above are congruent with the work of Herman and Gioia (2000). The authors stated that employees want to be led from the top of the organisation and expect leaders to think and operate strategically always looking to the future. Therefore leadership needs to improve on the communication of the organisations vision and mission. Furthermore, according to Herman and Gioia (2000) leaders in employer of choice companies, emphasise the strategic value of people. This should also be another focus area for the organisation, given that 50.5% of employees do not believe that leadership really cares about whether employees are happy. However, the building of trust among employees is the foundation upon which other areas can be improved.

For the remaining 3 questions in this section:

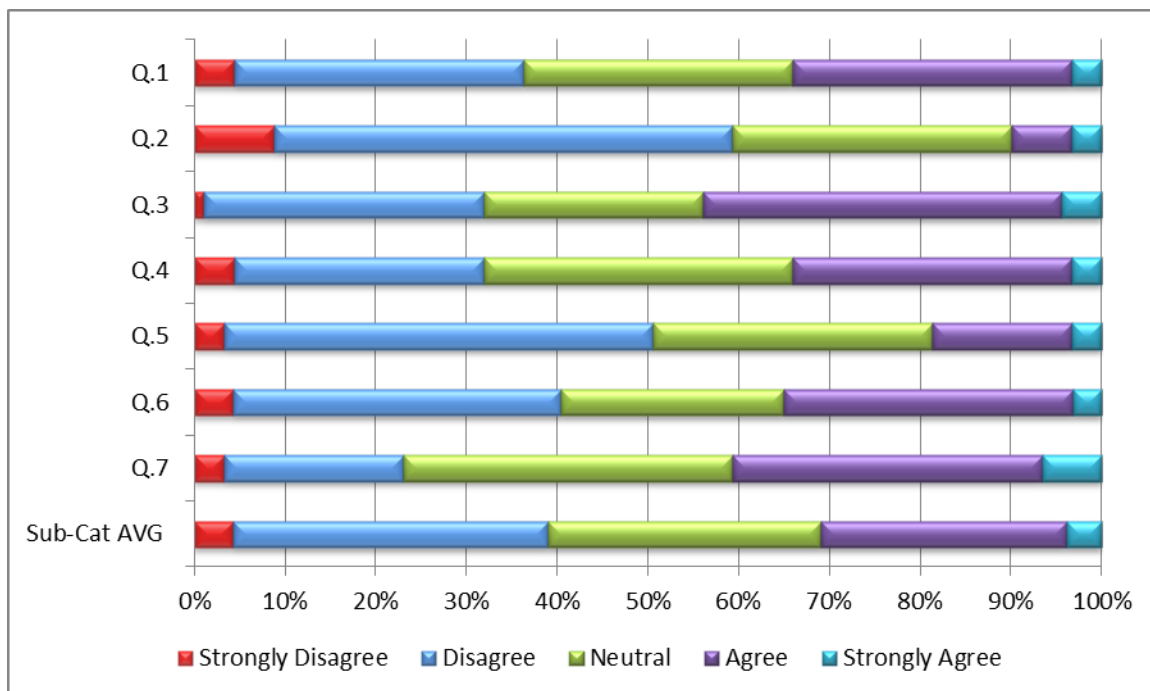
- Question 3: 39.6% of the respondents agreed that leadership is visible and accessible;

- Question 4: while 34.1% (the majority) of respondents were neutral, 30.8% agreed that leadership encourages and embraces change; and
- Question 7: while 36.3% (the majority) of respondents were neutral, 34.1% believes that leadership is taking steps to ensure long term organisational success.

Herman and Gioia (2000) stated that in employer of choice companies, leaders are visible and accessible, reaching out to others. They embrace change; make continual change and improvement comfortable for all.

In light of this and based on the results above, these are success areas in terms of respected leadership within the organisation.

Chart 4.2: Respected leadership



(Source: Results obtained from analysis of survey responses: Section C)

4.3.3 Strong company reputation

Table 4.4: Strong company reputation

	Strong company reputation	Valid N	SD %	D %	N %	A %	SA %	x-bar	StdDev
1	I am proud to wear organisational branded items	91	2.2	5.5	36.3	47.3	8.8	3.55	0.82
2	The company's brand/s are known to all employees	91	0.0	9.9	6.6	62.6	20.9	3.95	0.82
3	I have branded office stationery which the organisation gave to me	91	17.6	40.7	17.6	19.8	4.4	2.53	1.13
4	I understand what the company's brands are all about	91	0.0	12.1	17.6	60.4	9.9	3.68	0.81
5	This organisation has a good reputation and standing in the South African work environment	91	1.1	15.4	26.4	49.5	7.7	3.47	0.89
6	This organisation is respected in the industry and community	91	1.1	12.1	26.4	48.4	12.1	3.58	0.90
	SUB TOTAL AVERAGES		3.7	15.9	21.8	48.0	10.6		

(Source: Results obtained from analysis of survey responses: Section C)

The overall average as presented in table 4.4 above is favourable, i.e. agree is at 48.0% compared to disagree which is at 15.9%. It is noted that a considerable number (21.8%) of respondents selected the neutral option. In addition, the overall average of 10.6% for the strongly agree category is important to note.

The majority of respondents agreed with 5 of the 6 questions posed in this section:

- Question 2: 62.6% of respondents agreed that the company's brands are well known to employees. 20.9% strongly agreed to this question.

- Question 4: 60.4% agree that they understand what the company's brands are all about.
- Question 5: 49.5% agree that the organisation has a good reputation and standing in the South African work environment.
- Question 6: 48.4% agree that the organisation is respected in the industry and community. 12.1% strongly agreed to this question, and
- Question 1: 47.3% of respondents agreed that they are proud to wear organisational branded items.

The only question where the majority of respondents disagreed was question three. 40.7% disagreed that they have branded office stationery that the company has given to them.

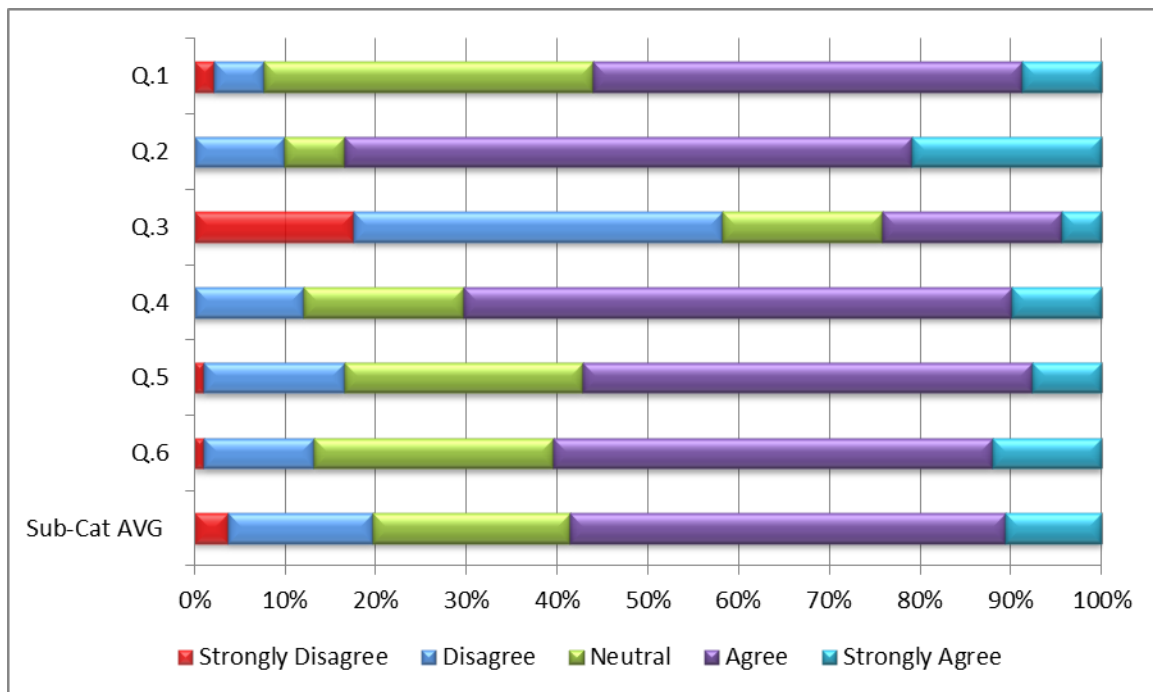
The results above suggest that respondents are proud employees of the organisation and that they have confidence in the enduring strength of the organisation's brand and reputation. These findings are consistent with the 82.3% of employees that responded to this question in the Deloitte Best Company to Work For Survey (2011).

It is interesting to note that while the majority of employees do not regard the organisation as an employer of choice, they are proud to be associated with the company's brands and agree that the company has an upstanding reputation in the South African work environment. These findings are not consistent with the proposition of Herman and Gioia (2000) who stated that company reputation is one of the eight factors that employees and or potential employees look at in evaluating whether an organisation is an employer of choice. There is no direct relationship in this study between employee perceptions of the company's reputation and brand and their evaluation of the company as an employer of choice. While the intention of this study is not to measure relationships, this finding is important in that it alludes to the fact that specific other attributes are more important or have a greater impact on the employees' evaluation. Of additional importance, is the fact that respondents ranked strong company reputation as the fifth most important attribute of an employer of choice.

While these findings do not imply that this attribute is not important to the sample group. The organisation should, when embarking upon an employer of choice strategy, capitalise on this as strength.

Chart 4.3 below presents the results obtained from an analysis of survey responses pertaining to section C of the questionnaire, regarding strong company reputation.

Chart 4.3: Strong company reputation



(Source: Results obtained from analysis of survey responses, Section C)

4.3.4 Conscious employee engagement

Table 4.5: Conscious employee engagement

	Conscious employee engagement	Valid N	SD %	D %	N %	A %	SA %	x-bar	StdDev
1	I have a strong desire to be a member of this company	91	1.1	22.0	36.3	34.1	6.6	3.23	0.91

2	I am willing to put in a great deal of effort beyond what is normally expected of me to make this company successful	91	0.0	17.6	14.3	53.8	14.3	3.65	0.94
3	I know what is expected of me at work	91	0.0	12.1	7.7	61.5	18.7	3.87	0.86
4	At work I have the opportunity to do what I do best every day	91	3.3	22.0	18.7	45.1	11.0	3.38	1.05
5	In the last seven days, I have received recognition or praise for doing good work	91	14.3	35.2	14.3	33.0	3.3	2.76	1.16
6	My supervisor and immediate manager care about me as a person	91	7.7	17.6	26.4	37.4	11.0	3.26	1.11
7	There is someone at work that encourages my development	91	9.9	30.8	18.7	35.2	5.5	2.96	1.13
8	At work my opinions count	91	5.5	24.2	27.5	37.4	5.5	3.13	1.02
9	My colleagues are committed to doing quality work	91	2.2	28.6	18.7	38.5	12.1	3.30	1.08
10	I have a best friend at work	91	6.6	33.0	33.0	24.2	3.3	2.85	0.98
11	In the last six months someone at work has talked to me about my progress	91	8.8	37.4	9.9	35.2	8.8	2.98	1.20
12	In the past year I have had opportunities at work to learn and grow	91	3.3	27.5	15.4	41.8	12.1	3.32	1.10
	SUB TOTAL AVERAGES		5.2	25.6	20.1	39.7	9.3		

(Source: Results obtained from analysis of survey responses, Section C)

The overall average as presented in table 4.5 above is favourable, i.e. agree is at 39.7% compared to disagree which is at 25.6%.

Once again, it is noted that a considerable number (20.1%) of respondents selected the neutral option. In addition, the overall average of 9.3% for the strongly agree category is important to note.

The majority of respondents agreed with 8 of the 12 questions posed in this section:

- Question 3: 61.5% of respondents agreed that they know what is expected of them at work. 18.7% of respondents strongly agreed to this question.
- Question 2: 53.8% of respondents agreed that they are willing to put in a great deal of effort beyond what is normally expected to make the company successful. 14.3% of respondents strongly agreed to this question.
- Question 4: 45.1% agreed that at work they have the opportunity to do what they do best every day.
- Question 12: 41.8% agreed that in the past year they have had opportunities at work to learn and grow.
- Question 9: 38.5% agreed that their colleagues are committed to doing quality work.
- Question 6: 37.4% agreed that their supervisor and immediate manager cares about them as a person.
- Question 8: 37.4% agreed that at work their opinions count, and
- Question 7: 35.2% agreed that there is someone at work that encourages their development.

For the remaining four questions; the majority answered as follows:

- Question 1: 36.3% of respondents selected neutral to the question “I have a strong desire to be a member of this organisation;
- Question 11: 37.4% disagreed that in the last six months, someone has talked to them about their progress;
- Question 12: 35.2% of respondents disagreed that in the last seven days they have received recognition or praise for doing good work; and
- Question 10: was equally split i.e. 33.0% disagreed that they had a best friend at work, and 33.0% answered neutral to this question.

The questions above were derived from the Gallup Q12 survey designed to measure employee engagement. Researchers found that there were 12 key expectations, that when satisfied, form the foundation of strong feelings of engagement. According to Lockwood (2007:2), engaged employees work with passion and feel a profound connection to their company. They drive innovation and steer the company forward. Organisations considered an employer of choice, are more likely to have high levels of engagement. The fact that on average 39.7% agreed and 9.3% strongly agreed in this section indicate that to an extent, there are strong feelings of engagement present at the organisation. Interestingly however, despite these findings the majority do not regard the organisation as an employer of choice.

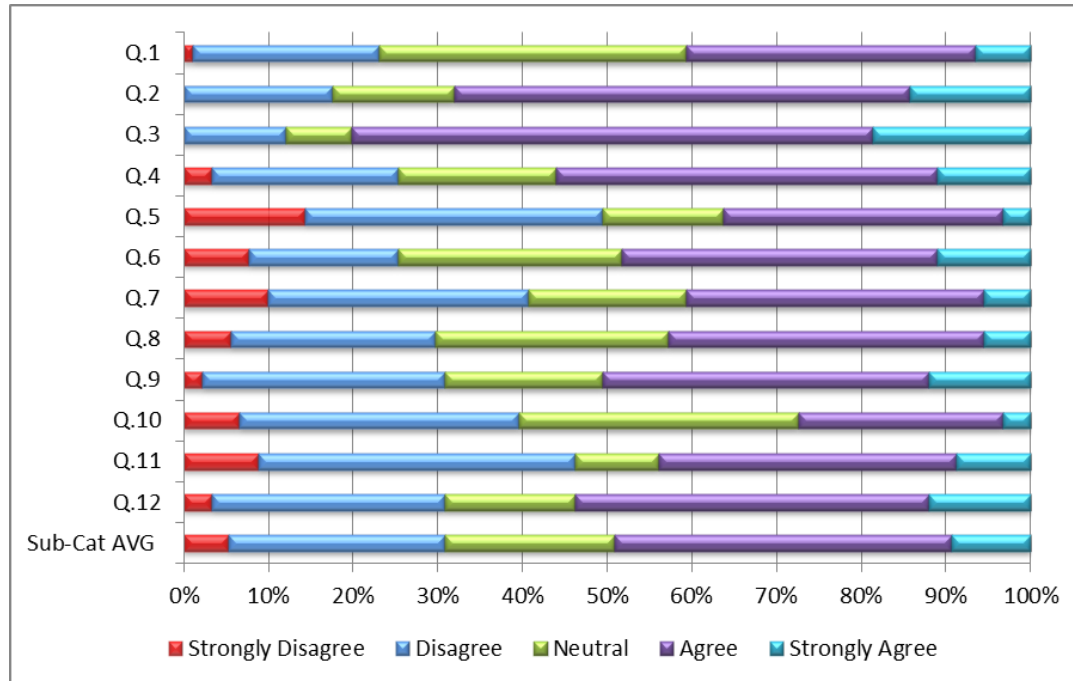
Tomilson (2010:25) stated that employee engagement is about creating an emotional connection with employees so that they are passionate and live the brand of the organisation. The research findings above as well as Tomilson's (2010:25) proposition are congruent with the findings under strong company reputation in this study where respondents were found to be proud employees of the organisation and that they have confidence in the enduring strength of the organisation's brand and reputation.

This is further supported by the work of Greenberg (2004, in Guma 2011:50) who found that the primary behaviour of engaged employees is that they exert extra effort to contribute to the organisations success, specifically in question two in this section where 53.8% of respondents agreed that they are willing to put in a great deal of effort beyond what is normally expected to make the company successful; as many as 14.3% of the respondents strongly agreed to this question.

The findings above coupled with the findings under strong company reputation suggest that employees who are proud to be members of the organisation, have a high regard for the company's reputation and are willing to go the extra mile to contribute to the company's success. The findings above also suggest that there are other factors present driving the point that the majority do not regard the organisation as an employer of choice.

Chart 4.4 below illustrates the results obtained from the analysis of the survey responses in respect of conscious employee engagement, section C.

Chart 4.4: Conscious employee engagement



(Source: Results obtained from analysis of survey responses: Section C)

4.3.5 A supportive culture

Table 4.6: A supportive culture

	A Supportive Culture	Valid N	SD %	D %	N %	A %	SA %	x-bar	StdDev
1	This environment stimulates me to be creative and innovative	91	5.5	31.9	36.3	25.3	1.1	2.85	0.92
2	The company promotes a healthy work-life balance	91	5.5	27.5	31.9	30.8	4.4	3.01	1.03
3	The climate is warm, pleasant and genuinely appealing	91	5.5	30.8	40.7	23.1	0.0	2.81	0.87
4	I feel a strong sense of inclusion and community	91	3.3	24.2	39.6	30.8	2.2	3.04	0.88

5	This company has a unique culture that I can identify with	91	4.4	33.0	33.0	27.5	2.2	2.90	0.93
6	I love the buzz and high levels of energy	91	8.8	33.3	31.9	26.4	0.0	2.76	0.95
7	This is an exciting place to work at	91	8.8	34.1	34.1	22.0	1.1	2.73	0.95
8	There is pride and camaraderie here	91	11.0	35.2	28.6	24.2	1.1	2.69	1.00
9	This company lets me know what's going on, I don't usually find things out from my friends	91	8.8	41.8	24.2	25.3	0.0	2.66	0.96
10	I feel that my values and the company's values are the same	91	7.7	46.2	25.3	19.8	1.1	2.60	0.91
11	Values that I admire in this company are respect and trust	91	7.7	47.3	25.3	17.6	2.2	2.59	0.94
	SUB TOTAL AVERAGES		7.0	35.0	31.9	24.8	1.4		

Source: Results obtained from analysis of survey responses: Section C

The overall average as presented in table 4.6 above is not favourable, i.e. disagree is at 35.0% compared to agree which is at 24.8%. Once again, it is noted that a considerable amount (31.9%) of respondents selected the neutral option.

The majority of respondents disagreed with 5 of the 11 questions posed in this section.

- Question 11: 47.3% disagreed that values they admire at the organisation are respect and trust.
- Question 10: 46.2% disagreed that their values and the company's values are the same.
- Question 9: 41.8% disagreed that the company lets them know what's going on and they don't usually find things out from friends.

- Question 8: 35.2% disagreed that there is pride and camaraderie present at the organisation, and
- Question 6: 33.0% disagreed that they love the buzz and high levels of energy at the organisation.

The majority of respondents selected neutral for 4 of the 11 questions posed.

- Question 3: The climate is warm, pleasant and genuinely appealing (40.7%).
- Question 1: This environment stimulates me to be creative and innovative (36.3%).
- Question 2: The company promotes a healthy work-life balance (31.9%), and
- Question 4: I feel a strong sense of inclusion and community (39.6%).

Additionally, for the remaining 2 questions the same number of respondents selected both neutral and disagree options.

- Question 5: This company has a unique culture that I can identify with (33.0%), and
- Question 7: This is an exciting place to work at (34.1%).

Given that the majority of respondents do not regard the organisation as an employer of choice, the findings for question 6 are congruent with the work of Dorna (2007:30).

The author stated that an employer of choice is all about the “buzz factor” and high levels of energy that emanates from a company that translates well into outsiders. In this section, the majority (33.0%) disagreed that they love the buzz and high levels of energy at the organisation.

Hinkin and Tracey (2010:160) found that one thing organisations among Fortune’s Best Company to Work For had in common was an extremely strong culture of caring that places great emphasis on the people working there. Given that on average 35% of respondents disagreed in this section, this should be an important focus area for the organisation.

Furthermore, DeMarco (2007:30) stated that employer of choice organisations have a corporate culture where the working climate is supportive and genuinely appealing.

Although the majority of employees (40.7%) selected the neutral option for question three – the climate at the organisation is warm, pleasant and genuinely appealing.

This was followed by 30.8% of respondents who disagreed. These results further imply that creating a supportive culture should be a key focus area for the organisation.

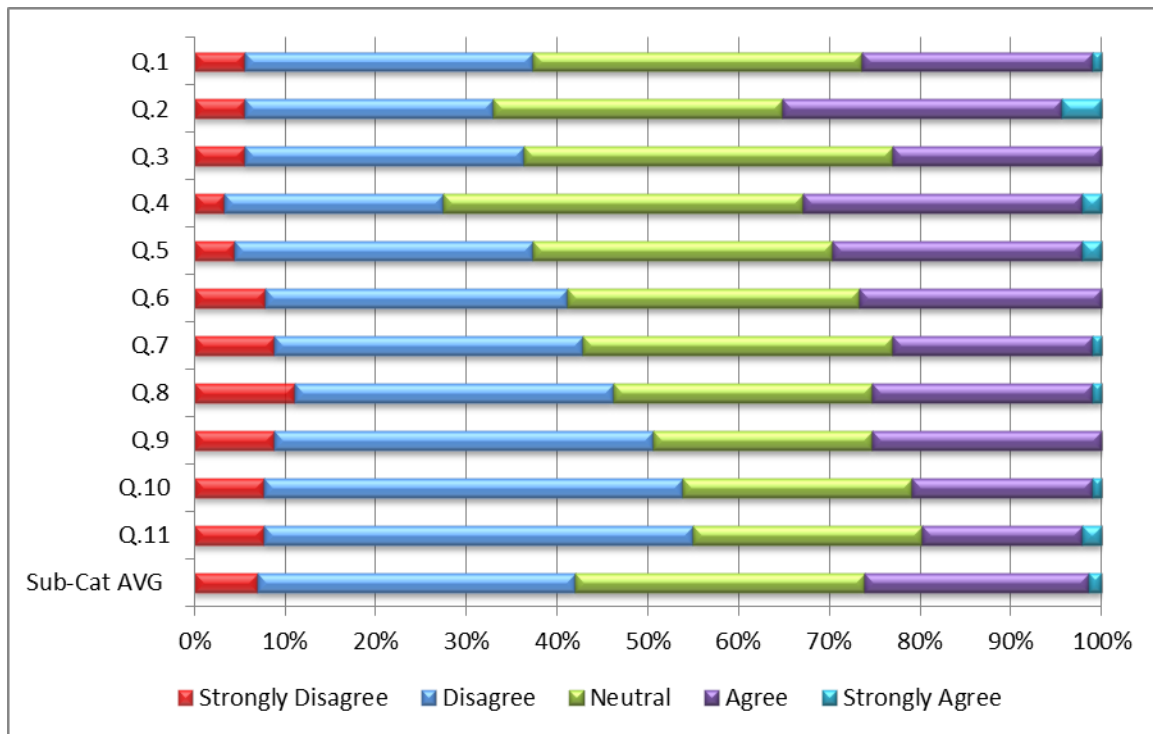
According to DeMarco (2007:30), a supportive culture can be achieved through integrated approaches to work design with features such as flexible work options, promoting a work-life balance, training and career development opportunities and employee benefits and initiatives. The author warned against overlooking the basic issues needed in creating a supportive culture. The result is a company with improved benefits, which on the surface makes sense but good benefits alone do not create a positive work environment and ultimately an employer of choice.

The author further stated that Generation X workers want to be a part of companies with a warm, pleasant and supportive climate. They want to work for companies that display loyalty, pride, trust, respect, strong relationships and open communication. They want to feel supported, challenged, rewarded and encouraged to think up new and diverse ideas (DeMarco 2007:30).

According to Gubman (2011:2), trust is at the forefront of what makes a great place to work. The leadership of a company is influential in setting a tone of trust that ripples throughout the entire organisation. Given that the majority of respondents feel that the company does not let them know what's going on, that they feel that their values and the company's values are not the same and that they do not regard respect and trust as values that they admire at the organisation, these are key factors that can be directly related to the fact that the majority of employees do not regard the organisation as an employer of choice. These findings are also congruent with Section 2 (Respected leadership) where 47.3% of respondents stated that they do not trust leadership at the organisation.

Chart 4.5 presents the results obtained from analysis of survey responses in respect of questions pertaining to supportive culture, section C of the questionnaire.

Chart 4.5: Supportive culture



(Source: Results obtained from analysis of survey responses, Section C)

4.3.6 Career growth opportunities

Table 4.7: Career growth opportunities

	Career Growth Opportunities	Valid N	SD %	D %	N %	A %	SA %	x-bar	StdDev
1	This company supports my career development and advancement	91	6.6	36.3	19.8	29.7	7.7	2.96	1.20
2	My manager supports me with the general management of my career	91	7.7	28.6	26.4	30.8	6.6	3.00	1.09
3	There are sufficient opportunities for career advancement for me	91	16.5	39.6	24.2	14.3	5.5	2.53	1.10
4	My personal development needs are being addressed	91	11.0	34.1	31.9	19.8	3.3	2.70	1.02

5	I have a clear career path	91	17.6	39.6	29.7	11.0	2.2	2.41	0.98
6	I know what I need to do to progress my career	91	12.1	31.9	22.0	30.8	3.3	2.81	1.10
7	I obtain constructive feedback in areas I can improve	91	5.5	26.4	25.3	39.6	3.3	3.09	1.01
8	I see a future for myself at this company	91	9.9	28.6	31.9	28.6	1.1	2.82	1.00
	SUB TOTAL AVERAGES		10.9	33.1	26.4	25.5	4.1		

(Source: Results obtained from analysis of survey responses, Section C)

The overall average as presented in table 4.7 above is not favourable, i.e. disagree is at 33.1% compared to agree which is at 25.5%. Once again, it is noted that a considerable number (26.4%) of respondents selected the neutral option. A substantial number (10.9%) of respondents on average selected the strongly disagree option.

The majority of respondents disagreed with 5 of the 8 questions posed in this section:

- Question 3: 39.6% of respondents disagreed that there are sufficient opportunities for career advancement and 16.5% strongly disagreed.
- Question 5: 39.6% of respondents disagreed that they have a clear career path and 17.6% strongly disagreed.
- Question 1: 36.3% of respondents disagreed that the company supports their career development and advancement.
- Question 4: 34.1% of respondents disagreed that their personal developmental needs are being addressed, 11.0% strongly disagreed, and
- Question 6: 31.9% disagreed that they know what they need to do to make progress in their careers.

For the remaining three questions, the majority:

- Agreed (30.8%) with question two 'my manager supports me with the general management of my career.

- A large percentage (39.6%) agreed with question 7 'I obtain constructive feedback in areas I can improve in'.
- Interestingly, despite the majority selecting the neutral option (31.9%), 28.6% agreed and 28.6% disagreed with question 8 'I see a future for myself at this company', whilst 9.9% strongly disagreed with this question.

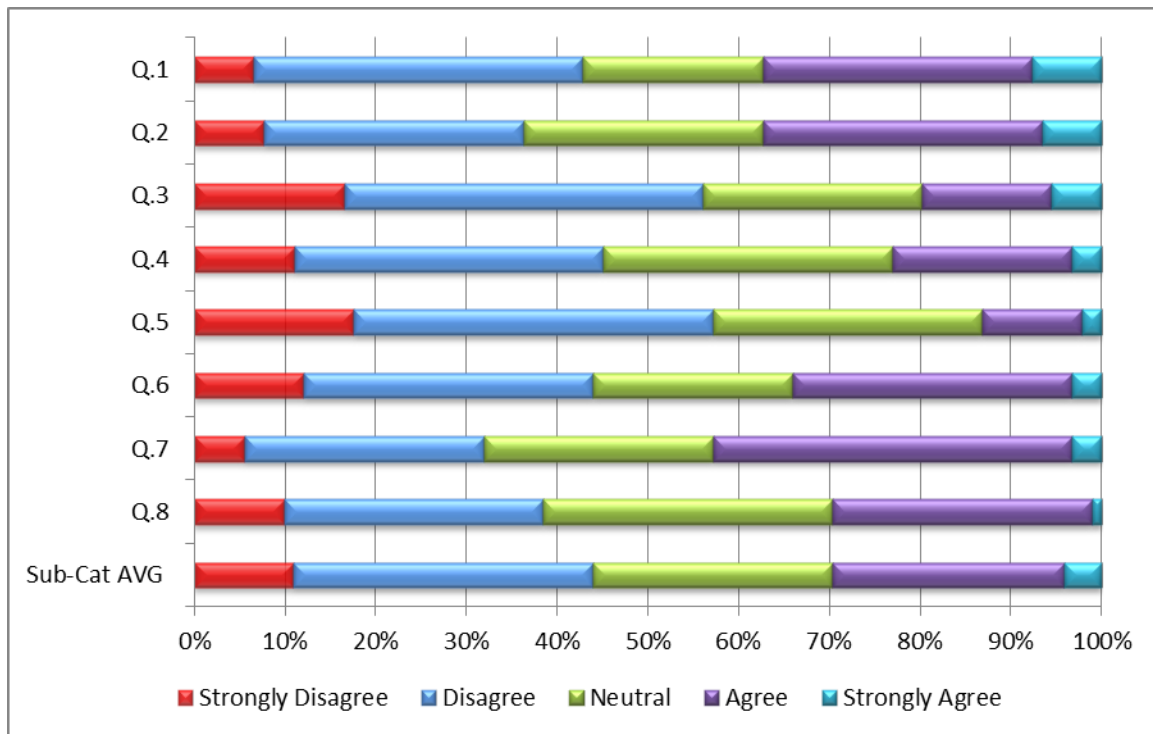
The results above are consistent with literature findings that suggest that career development is one of the most important attributes of an employer of choice. According to Moran (2010:27), career management is an often overlooked strategy for some organisations. Recent research has revealed that it can be the most important strategy for an employer of choice. This notion is strongly supported by the findings of Sutherland, Torricelli and Karg's (2002) study that confirmed that knowledge workers rated career growth opportunities and a challenging work environment as the most important attribute of an employer of choice.

These findings further confirmed the work of Herman and Gioia (2000) who stated that growth and meaningful work are more important today than money to most knowledge workers. The authors stated that a key characteristic of an employer of choice is that it provides ample opportunities for people to learn grow and reach their full potential. Employees don't just come to work; they expect development and an organisation that will pay them to hone their skills.

The results above further suggest that career growth opportunities have a strong influence on the evaluation by respondents of the organisation as not being an employer of choice (section 1). This notion is supplemented by the fact the respondents rated career growth opportunities as the second most important attribute of an employer of choice.

These findings are illustrated graphically in Chart 4.6 below.

Chart 4.6: Career growth opportunities



(Source: Results obtained from analysis of survey responses, Section C)

4.3.7 The rewards, benefits and compensation package

Table 4.8: The rewards, benefits and compensation package

	Rewards, Benefits and Compensation Package	Valid N	SD %	D %	N %	A %	SA %	x-bar	StdDev
1	My salary is fair considering what other people receive at this company	91	22.0	38.5	22.0	15.4	2.2	2.37	1.06
2	I do earn the kind of money I should for the work I do	91	20.9	34.1	24.2	18.7	2.2	2.47	1.09
3	The reward system (salaries, promotions, benefits) is based on employee value, ability and performance rather than on luck, who you know or how well people can be manipulated	91	24.2	22.0	25.3	24.2	4.4	2.63	1.22

4	My salary is linked to my productivity and performance	91	22.0	29.7	19.8	26.4	2.2	2.57	1.17
5	My benefits, rewards, and compensation package is the reason I will never leave this company	91	25.3	25.3	28.6	18.7	2.2	2.47	1.13
6	Management understands the contribution I make, and thanks me in a meaningful way	91	25.3	36.3	18.7	15.4	4.4	2.37	1.15
7	The reward programmes offered are transparent and meaningful to me	91	22.0	28.6	26.4	20.9	2.2	2.53	1.12
	SUB TOTAL AVERAGES		23.1	30.6	23.5	19.9	2.8		

(Source: Results obtained from analysis of survey responses, Section C)

The overall average as presented in table 4.8 above is not favourable, i.e. disagree is at 30.6% compared to agree which is at 19.9%. It is important to note that on average, a significant amount (23.1%) of respondents strongly disagreed.

The majority of respondents disagreed with 5 of the 7 questions posed:

- Question 1: 38.5% of respondents disagreed that they think that their salary is fair considering what other people receive at the company.
- Question 6: 36.3% of respondents disagreed that management understands the contribution they make, and thanks them in a meaningful way.
- Question 2: 34.1% of respondents disagreed that they feel they earn the kind of money they should for the work that they do.
- Question 4: 29.7% of respondents disagreed that they think their salary is linked to productivity and performance, and
- Question 7: 28.6% of respondents disagreed that the reward programmes offered are transparent and meaningful.

For the remaining two questions:

- Question 3: The reward system (salaries, promotions, benefits) is based on employee value, ability and performance rather than on luck, who you know or how well people can be manipulated. Interestingly, the majority (25.3%) selected the neutral response to this question, followed by 24.2% of respondents that agreed and 24.2% that strongly disagreed.
- Question 5: My benefits, rewards and compensation package is the reason that I will never leave this company. The majority of the respondents (28.6%) selected the neutral option followed closely by 25.3% that disagreed and 25.3% that strongly disagreed.

The results above indicate that the company is not performing well in this category. An attractive reward, benefits and compensation package that is linked to performance is an important attribute of an employer of choice. Herman and Gioia (2001) advocated that today's workers are concerned with the total benefits packages more so than competitive pay alone. Given that the organisation is not regarded as an employer of choice by respondents, the results above indicate that their perception of the rewards, benefits and compensation policies, procedures etc. are not viewed favourably by the sample group.

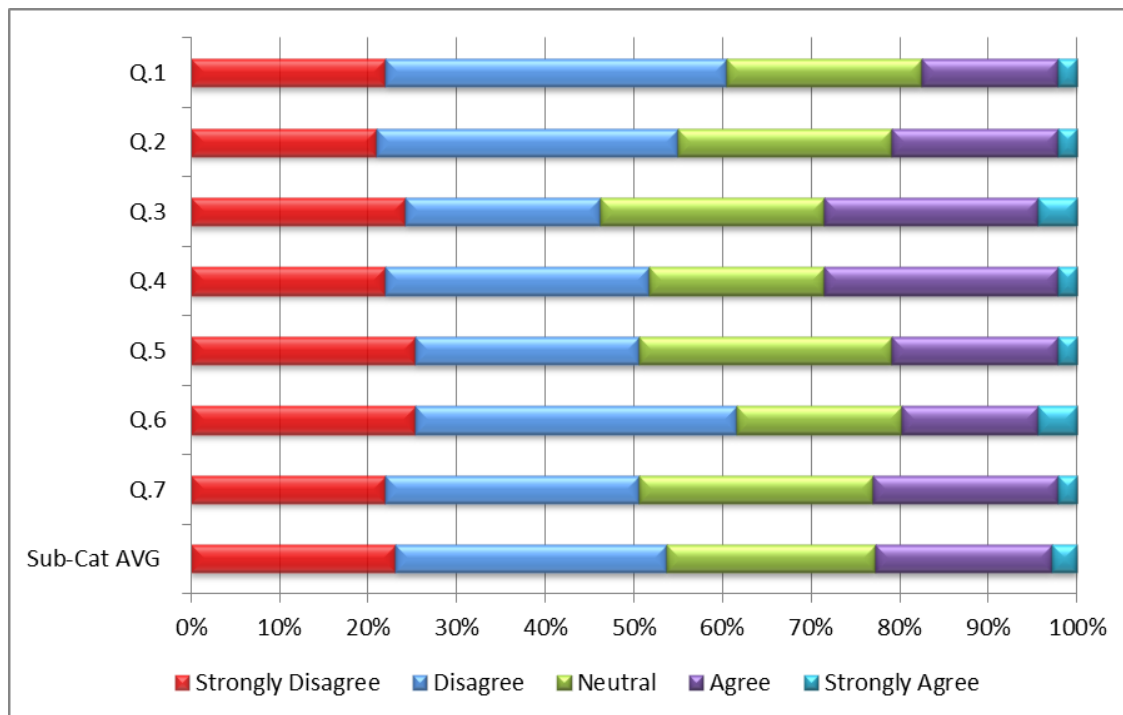
These findings relate closely to a study conducted by Hinkin and Tracey (2010:167), into the human resource practices among Fortune's Best Companies to Work For. The study found that all the organisations examined had implemented reward and incentive programs that were consistent with the need to maintain logical, transparent reward programs that are meaningful to recipients and relate to the organisation's goals. In particular, every firm maintained a clear connection between performance results and incentives. These programs and practices provide a strong foundation for creating and sustaining a high performance work culture and motivating employees to go beyond expectations.

According to Roman (2011), it should be no surprise that people want to be treated fairly. Key areas that demand fairness are workload, promotions, pay, rewards and recognition.

This needs to be a key focus area for the organisation. The author advocates that the perception of a recognition programme is more important than the programme itself. If employees see it as a genuine, honest gesture by management, it is probably effective. If it is seen as a shallow, mechanical process, it may not be producing the results. The author also stated that employees do not want “recognition”, they want management to understand the contribution they make and thank them in a meaningful way. This relates strongly to the findings of question 6 above.

Chart 4.7 below depicts the results obtained from analysis of the survey responses pertaining to rewards, benefits and compensation in section C of the questionnaire.

Chart 4.7: Rewards, benefits and compensation



(Source: Results obtained from analysis of survey responses, Section C)

4.3.8 Summary of category and question responses

The sub-category and question response results are tabled in table 4.9 below. Table 4.9 shows the ranking of the various attributes by the respondents from one to six, one being the most important.

The category averages by attribute, are presented. Furthermore, a summary of the question results by the majority of the respondents are included. For ease of reference to the questions, the full questionnaire is presented in Appendix 2 of the study.

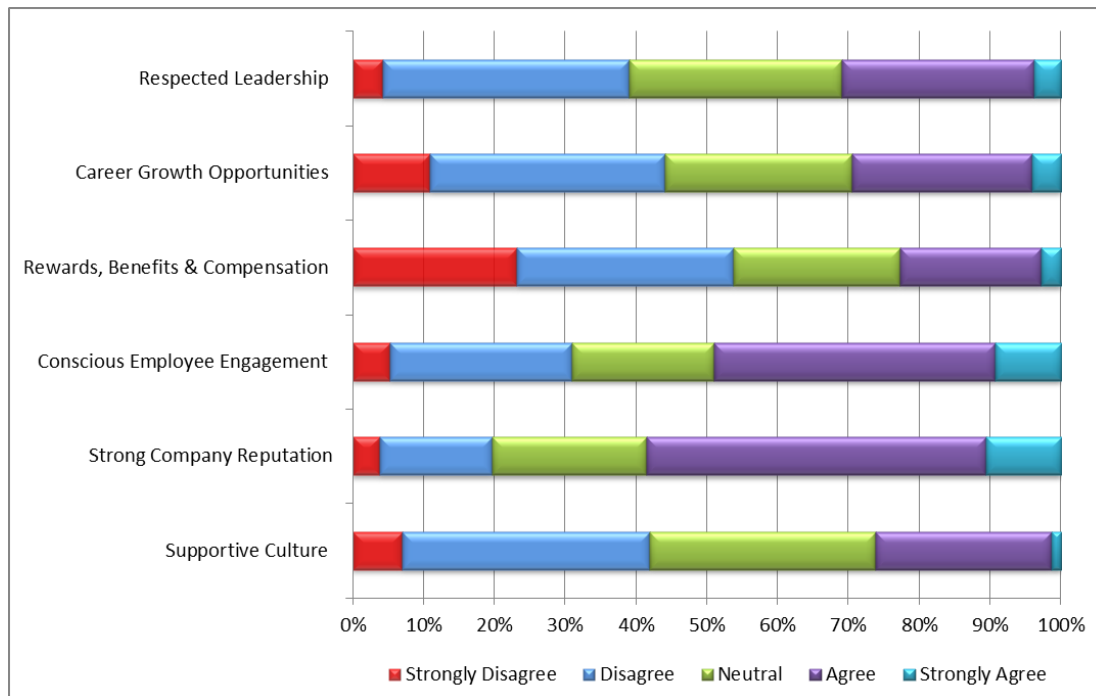
The summary of results in table 4.9 indicate that the majority of respondents do not regard the organisation as an employer of choice and four of the six identified attributes are influencing this perception. Of the four attributes, three are rated by the respondents as the three most important attributes of an employer of choice.

Table 4.9: Summary of category and question responses

		Category Averages					Questions		
		SD %	D %	N %	A %	SA %	SD/D	N	SA/A
Employer of Choice		5.5	36.1	28.0	26.1	4.3	1-5, 8		6, 7, 9
Attributes	Rank								
Respected Leadership	1	4.2	35.0	29.7	27.2	3.9	1, 2, 5, 6	4, 7	3
Strong Company Reputation	5	3.7	15.9	21.8	48.0	10.6	3		1, 2, 4, 5, 6
Conscious Employee Engagement	4	5.2	25.6	20.1	39.7	9.3	5, 10, 11	1, 10	2, 3, 4, 6, 7, 8, 9, 12
A Supportive Culture	6	7.0	35.0	31.9	24.8	1.4	5-11	1-5, 7	
Career Growth Opportunities	2	10.9	33.1	26.4	25.5	4.1	1, 3-6	8	2, 7
Rewards, Benefits & Compensation Package	3	23.1	30.6	23.5	19.9	2.8	1, 2, 4, 6, 7	3, 5	

(Source: Survey and sub-category results presented and discussed in Chapter Four of the study)

Chart 4.8: Summary of category responses in rank order



(Source: Survey and sub-category results presented and discussed in chapter four of the study)

The following legend was used in tables 4.1 – 4.9 presented above.

Legend	Description
Valid N	Valid number of responses
SD	Strongly disagree
D	Disagree
N	Neutral
A	Agree
SA	Strongly agree
x-bar	Average answer on a 1-5 scale
StdDev	Standard deviation

4.4 IMPORTANT ATTRIBUTES OF AN EMPLOYER OF CHOICE

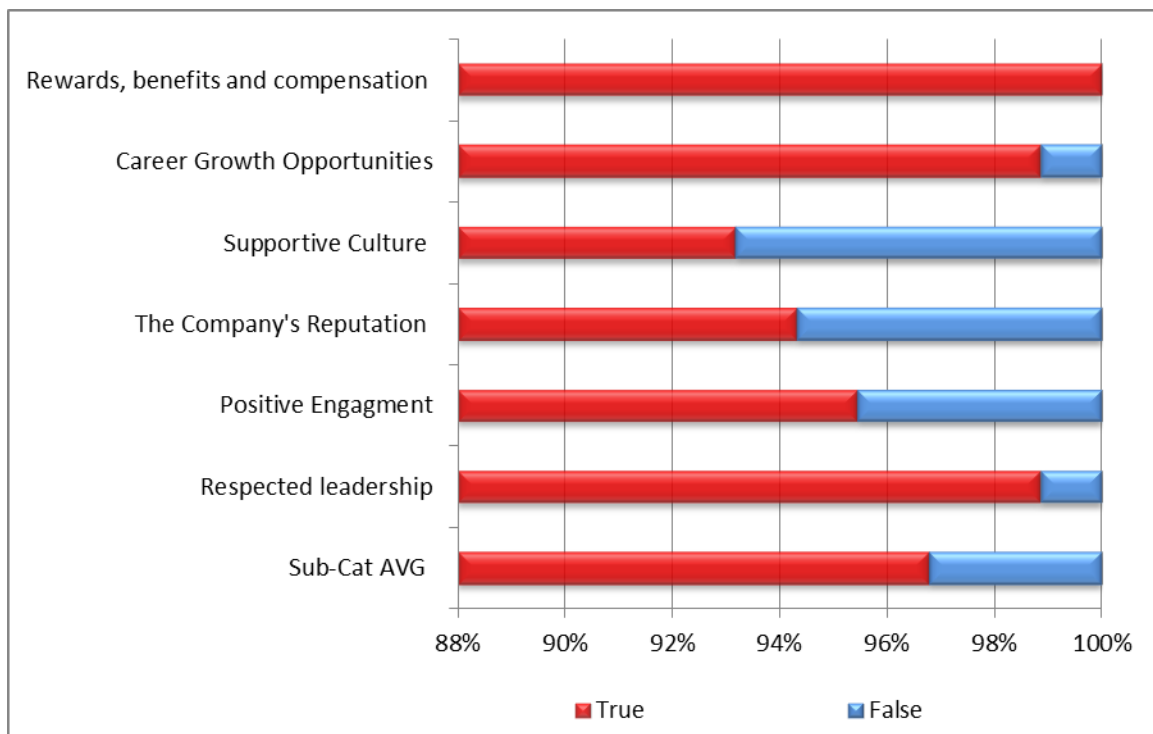
The results presented in Table 4.10 and Chart 4.9 below indicate that the vast majority of respondents agreed that the items listed above are important attributes of an employer of choice.

Table 4.10: Important attributes of an employer of choice

Statement	True (%)	False (%)
Respected leadership is an important attribute of an employer of choice	98.9%	1.1%
Conscious employee engagement is an important attribute of an employer of choice	95.5%	4.5%
The company's reputation is an important attribute of an employer of choice	94.3%	5.7%
A supportive culture is an important attribute of an employer of choice	93.2%	6.8%
Career growth opportunities is an important attribute of an employer of choice	98.9%	1.1%
The rewards, benefits and compensation package is an important attribute of an employer of choice	100%	0%
SUB TOTAL AVERAGES	96.8%	3.2%

(Results obtained from analysis of survey responses, Section D)

Chart 4.9: Important attributes of an employer of choice



(Source: Results obtained from analysis of survey responses: Section D)

4.5 CONCLUSION

In Chapter Four aside from the demographic data, the researcher has analysed each section of the survey and provided interpretations of the research findings. In section 4.2 the rank importance of the identified attributes of an employer of choice was established. In section 4.3 the perceptions of a sample group of employees were established by measuring the extent to which the respondents agreed or disagreed with the statements relating to each attribute. A summary of the overall averages for each attribute was presented.

Section 4.4 measured whether employees agreed or disagreed whether the identified factors are attributes of an employee of choice.

Despite the significant number of respondents who selected the “neutral” option for many of the questions posed in Section C of the questionnaire (Section 4.3 of this chapter) the results revealed that the majority of the sample group do not regard the organisation as an employer of choice. Overall, the study has revealed that this perception relates to the attributes that are not adequately provided for by the organisation, namely respected leadership, a supportive culture, career growth opportunities and the rewards, benefits and compensation package offered. Conversely the respondents rated respected leadership, career growth opportunities and the rewards, benefits and compensation package offered as the three most important attributes of an employer of choice.

Chapter Five will focus on recommendations and concluding remarks, based on the abovementioned findings. Limitations of the research and opportunities for further research will also be highlighted.

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

Sub-problem one of the study, namely “What are the organisational attributes of an employer of choice as revealed in secondary literature?” was dealt with by means of an in-depth literature study that was comprehensively presented in Chapter Two. These attributes were identified and investigated from the literature findings and validated by means of an empirical study contained in Chapter Four.

The empirical study was conducted in order to satisfy the main problem of the study, namely “An investigation into the organisational attributes of an employer of choice at a South African automotive company,” as well as sub-problem two, namely “Do employees agree with the identified attributes?” and sub-problem three, “In what order of importance do employees rank the identified attributes of an employer of choice?”.

The final sub-problem of the study, namely, “How the results obtained from the resolution of sub-problems one, two and three (above) can be combined into a strategic model that could be used at an automotive company operating in South Africa?” will be presented in this chapter. These conclusions and recommendations are based on the findings of the empirical study conducted in Chapter Four. Furthermore, the limitations experienced during the research study will be discussed as well as the recommendations for improvements and future research presented.

5.2 THE EMPIRICAL STUDY

An empirical study was conducted in Chapter Four. The researcher designed a questionnaire that consisted of four sections. Section A was aimed at establishing the demographical data of the respondents; Section B was aimed at establishing the ranking importance of the attributes of an employer of choice that were identified during the literature study; Section C was aimed at measuring the extent to which these attributes were present in the organisation, and Section D aimed at validating whether the respondents deemed the identified attributes as important attributes of an employer of choice.

One hundred and ten employees from the organisation's head office were selected to participate in the empirical study through a random sampling method. In total there were ninety-eight participants, but only ninety-one of the questionnaires were completed without errors. The total response rate for the survey was 89% (i.e. 98 responded out of the 110 questionnaires distributed). Of the ninety-one respondents analysed, sixty-three were general staff, twenty-one were supervisors and seven were managers.

5.3 SURVEY FINDINGS

Section A of the survey aimed to profile the demographics of the respondents who participated in the study. From the data attained and analysed in Chapter Three, the characteristics of the respondents generally are:

- Predominately coloured and white;
- Hold a national diploma/degree;
- General staff (non-management/supervision); and
- Between the ages of thirty-six to forty-eight.

In section B of the survey, respondents ranked the attributes of an employer of choice in order of their importance:

The attributes were ranked as follows:

- 1 **Respected leadership** – senior leadership in the organisation who are visionary, visible, and accessible and emphasise the strategic value of people.
- 2 **Career growth opportunities** – are sufficient and the company's actions clearly support the career development and advancement of employees.
- 3 **The rewards, benefits and compensation package** - that are linked to performance and valued by employees.
- 4 **Conscious employee engagement** – that encourages employees to work with passion and feel a profound connection to the company.
- 5 **Strong company reputation**– confidence in the enduring strength of the company's brand and reputation.
- 6 **A supportive culture** – that is warm, pleasant and genuinely appealing.

Each of the six attributes above and listed in section C of the survey questionnaire, were represented by statements and respondents had to indicate whether they agreed or disagreed with the claims each statement made regarding the attribute it represented. This was in order to determine the extent to which these attributes are present in the organisation.

The total as well as average responses to each statement were calculated. The combined total average response for each attribute was also calculated. The results of the empirical study, indicating the total combined average response for each attribute was summarised in Table 4.9.

The survey findings revealed that the majority of respondents do not regard the organisation as an employer of choice. This perception is influenced by the following attributes where the majority of respondents disagreed (i.e. identified by the total average by category):

- 1 Respected leadership
- 2 Career growth opportunities
- 3 The rewards, benefits and compensation package
- 4 A supportive culture

Furthermore, this is further validated by the fact that the first three attributes above were identified by respondents as the top three attributes of an employer of choice in section B of the survey.

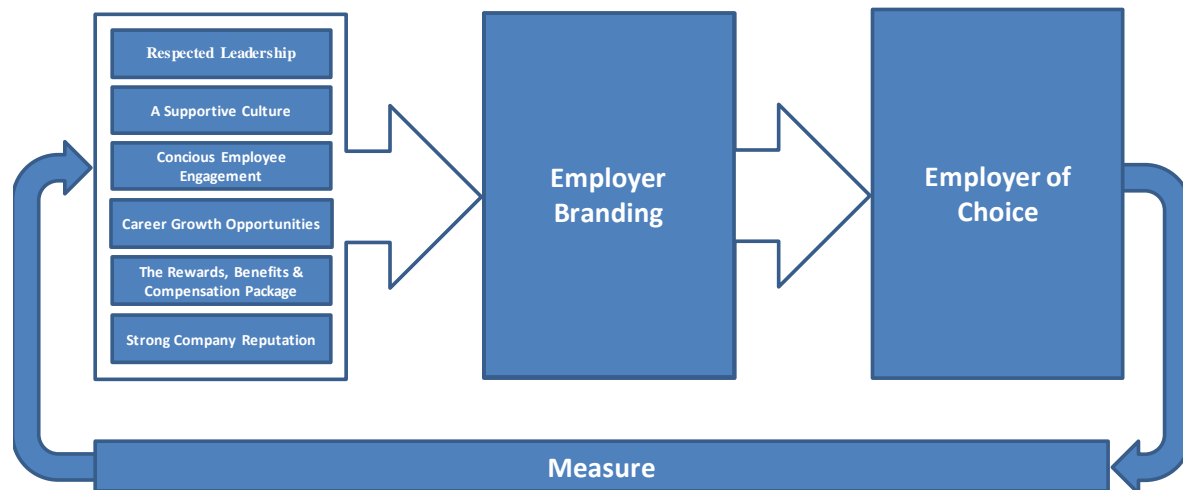
In section D, respondents had to indicate by stating “True” or “False” whether they regarded the identified attributes as important attributes of an employer of choice. The results were summarised in table 4.10 and Chart 4.9. The findings were congruent with that of the literature findings, i.e. the vast majority of respondents agreed that the identified attributes are important attributes of an employer of choice.

5.4 RECOMMENDATIONS

5.4.1 A strategic model for positioning the organisation as an employer of choice among employees.

The strategic model for positioning the organisation as an employer of choice among employees (Figure 5.1 below) is the culmination of the research and research findings from Chapters One through to Chapters Four of the study.

Figure 5.1: Strategic model for positioning the organisation as an employer of choice among employees



(Source: Developed from the results obtained in the study)

Sub-problem four in Chapter One required that a strategic model to achieve an employer of choice status among the organisations workforce be developed.

Details of the model are discussed below:

- On the left of the model the six attributes of an employer of choice are listed as identified in the literature review and validated in the empirical study conducted. These attributes together form part of an employee value proposition with features designed to retain and motivate employees as well as set the organisation apart from the competition. The value proposition should answer the question, 'what makes this a great place to work at?'

- Employer branding located in the centre of the model is the vehicle used to communicate the proposition to current employees and position the company in their hearts and minds as the best place to work. According to Kaliprasad (2006), employer branding establishes the identity of the employer as an employer and ideally an employer of choice for employees. It is a strategy with a transparent message that promotes the company as an employer of choice and concentrates on communicating that image to prospective and current employees. The goal is to become an employer of choice by reflecting those attributes that employee's value.
- The right hand side of the model represents the final outcome i.e. employees view the company as an employer of choice.
- The base of the model relates to the measuring of employee perceptions. Various forms of measurement can be used as a gauge. It is advisable however, that the same survey should be conducted in approximately 12 months from the date of the last survey and where possible the same respondents used to avoid bias or inaccurate information. The results of the survey should be used to make amendments and improvements to the strategies and action plans relating to each of the six attributes as well as the employer branding process. It is important to continuously measure employee perceptions in order to proactively anticipate areas of concern which could have an adverse effect on the morale, productivity, performance and retention of the skills needed for long term organisational success.

5.4.2 Areas that require attention

The main problem of this study was to investigate and identify the organisational attributes of an employer of choice.

Findings from Section C of the survey, which was aimed at measuring the extent to which the identified attributes of an employer of choice are present in the organisation, highlighted the attributes that are inadequately provided for and therefore are of concern.

These attributes influence the employees perception of the organisation as an employer of choice. Recommendations that follow are aimed at specifically improving these areas of concern.

Recommendation One - Respected leadership

According to the literature reviewed, all the attributes of an employer of choice come together in leadership. Leadership therefore plays a pivotal role in positioning the organisation as an employer of choice among the workforce. This is due to the fact that senior leaders at the top of the organisation have the platform to exert the most influence. They have the position, the resources, and the motivation to demonstrate the kind of leadership that can make things happen. While the human resources department can strive to build the employer of choice environment, however, to be "real", to be effective, the employer of choice concept needs strong and active support from senior executives and senior leaders (Herman & Gioia, 2000:74).

In this study, the majority of respondents did not regard the organisation as an employer of choice. This perception is directly impacted by the perception that respected leadership is not present within the organisation. This proposition is further supported by the fact that the vast majority of respondents ranked respected leadership as the most important attribute of an employer of choice.

The findings indicate that this attribute is negatively influenced by the fact that the majority of employees do not perceive:

- 1 Leadership to think and operate strategically. Literature revealed that people want to be well led from the top of the organisation. They expect leaders to think and operate strategically always looking to the future. In employer of choice companies, leaders are future-oriented and are very careful not to allow them to get bogged down in today's details; their focus is at high levels, looking as far as practicable into the years ahead.
- 2 Leadership does not really care about whether employees are happy. Literature has also revealed that an employer of choice is enthusiastically people-oriented. The organisation's human resources are recognised as the most valuable resources.

- 3 Employees do not trust leadership. Trust is at the forefront of what makes a great place to work. The leadership of a company is influential in setting a tone of trust that ripples throughout the entire organisation.
- 4 Leadership does not communicate a clear vision and mission. Employers of choice are led by leaders who know where they're going. These leaders have a clear vision of the future, goals, and objectives. They're surrounded by others who understand and support them and what they're trying to accomplish. Of equal importance is the communication of and acceptance of the vision among employees to gain validity and power to drive the organisation.

The research study indicated that respected leadership is the most important attribute of an employer of choice. The organisation will need to focus on the areas of concern, stated above, to improve employee perceptions of leadership and ultimately their perceptions of the organisation as an employer of choice.

Recommendation Two - Career growth opportunities

The literature review highlighted personal and professional growth as strong motivators for contemporary employees. They want to concentrate on staying current with their skills. Career growth opportunities are therefore important in employer of choice companies. This proposition was further supported by respondents in this study who ranked career growth opportunities as the second most important attribute of an employer of choice.

The findings of the study indicate that this attribute is negatively influenced by the fact that the majority of employees do not feel that:

- 1 The company supports their career development and advancement;
- 2 There are sufficient opportunities for career advancement;
- 3 Their personal needs are being addressed;
- 4 They have a clear career path; and
- 5 They know what they need to do to progress their career.

In order to overcome these challenges, the organisation's commitment toward equal opportunity is important to create a sense of fairness among employees.

Employees should be prepared for the next level through on-going training and development and mentorship programmes. Future plans within the organisation should be communicated to employees to prevent them from being de-motivated by their lack of awareness of future opportunities.

Furthermore, literature revealed that today's employees want managers who commit to developing and empowering them. Moran (2010:27) stated that management should discuss with staff what they want, their aspirations, where they want to be in three, five or ten years' time. They should help staff understand how to advance their careers towards achieving such goals. It is also important that the organisation ensures that all managers in fact have the skills to do this. Most managers are not trained or skilled in holding the meaningful career conversations crucial to the career management process.

To develop a culture that encourages and supports career management means training managers to actively support staff. According to Moran (2010), establishing rigorous, tangible criteria for the assessment of career management effectiveness will facilitate integration with other HR activities. Thus career management can play a key role in contributing to the development and management of core capabilities and organisational resourcing needs. Marketing an organisation as an 'employer of choice' requires a demonstration of commitment to career management.

The organisation will need to focus on the areas of concern mentioned above to improve employee perceptions of career growth opportunities and ultimately their perception of the organisation as an employer of choice.

Recommendation Three - Rewards, benefits and compensation

According to the literature an attractive reward, benefits and compensation package that is linked to performance is an important attribute of an employer of choice. This proposition was validated in this study and furthermore it was found that respondents rated this attribute as the third most important attribute of an employer of choice.

The findings of the study indicate that this attribute is negatively influenced by the fact that the majority of employees do not feel that:

- Their salary is fair considering what other people receive at the organisation;
- They earn the kind of money they should for the work they do;
- The reward system (salaries, promotions, benefits) is based on employee value, ability and performance rather than on luck, who you know or how well people can be manipulated;
- Their salary is linked to their productivity and performance;
- The benefits, rewards and compensation package is the reason they will never leave the company;
- Management understands the contribution they make and thanks them in a meaningful way; and
- The reward programs offered are transparent and meaningful.

The items listed above need to be important focus areas for the organisation. It is important to note that literature advocates that today's workers are concerned with total benefit packages more so than competitive pay alone. Furthermore, studies conducted found that among Fortune's Best Companies to Work For 2011, all these organisations had implemented reward and incentive programs that were consistent with the need to maintain logical, transparent reward programs that are meaningful to recipients and relate to the organisation's goals. Every firm maintained a clear connection between performance results and incentives (Hinkin and Tracey 2010:167) Research also indicates that employees do not merely want recognition; they want management to thank them in a meaningful way. It is the responsibility of managers and supervisors to be aware of what form of recognition is valued by their employees.

Of importance is the fact that the perceptions of employees of what is regarded as fair treatment is based on the comparison they make on how they are treated relative to other team members. According to Risher (2008:34), employers need to develop policies that provide differential rewards. The traditional concern about keeping everyone satisfied undermines the potential impact of the linkage between pay and performance, and it is unlikely to satisfy the A-class performers.

When incentives are linked to the performance measures, it reinforces employees' understanding that their contributions are important to their company's success.

Recommendation Four - Supportive culture

In literature, supportive culture was identified as one of the most prominent attributes of an employer of choice. This was validated in the research study undertaken. Of the six attributes, respondents rated supportive culture as the least important to them.

The findings of the study indicate that this attribute is negatively influenced by the fact that the majority of employees do not feel that:

- 1 The environment stimulates creativity and innovation;
- 2 The climate is warm, pleasant and genuinely appealing;
- 3 The company has a unique culture that they can identify with;
- 4 They love the buzz and high levels of energy;
- 5 The company is an exciting place to work at;
- 6 There is pride and camaraderie;
- 7 The company lets them know what is going on and they don't usually find things out from friends;
- 8 Their values and the companies values are the same, and
- 9 Values that they admire at the company are respect and trust.

Literature revealed that employers of choice have corporate cultures where the workplace climate is supportive and genuinely appealing. It was also found employees want to work for companies with a warm, pleasant, and supportive culture. They want to work for companies that display loyalty, pride, trust, respect, strong relationships, and open communication (DeMarco 2007:30). Furthermore, literature findings indicate that fairness is demonstrated through an equitable sharing of resources and compensation. Everyone has an opportunity to be recognised for their contribution and decision on hiring and promotions are made impartially and free from discrimination.

According to Gubman (1999:2), fairness is also demonstrated through the consistent and timely application of employee and organisational policies from one person to the next. Nothing will diminish moral and thereby trust, faster than the differential treatment of employees.

The organisation will need to focus on the concern areas above to improve employee perceptions of the culture within the organisation and ultimately their perception of the organisation as an employer of choice.

5.5 PROBLEM AREAS ENCOUNTERED

There were no major problems encountered during the research. However, a few limitations worth mentioning are:

- While a good response rate was achieved, the number of respondents who selected the “Neutral” option in Section C of the questionnaire made the analysis and interpretation of the data collected cumbersome;
- The data collection and capturing process proved to be time consuming as questionnaires were distributed and collected manually. This however was anticipated by the researcher and allowed for easy follow up and hence a satisfactory response rate;
- The research was only conducted internally i.e. among employees, external perceptions, for example, potential employees were not included.
- The research was only conducted at the organisation’s head office and therefore conclusions and recommendations were only applicable to employees based at this location, and
- The research was only conducted among the organisations office staff and excluded production employees located in the manufacturing plants. Therefore conclusions and recommendations are only applicable to the organisation’s office staff.

5.6 RECOMMENDATIONS FOR FURTHER RESEARCH

The limitations encountered during the research process stipulated above resulted in opportunities for further research. These opportunities are as follows:

- A qualitative study in order to delve deeper into the specific issues related to the four organisational attributes that were identified as areas of concern for the organisation. This will allow for a better understanding of how these issues manifest within the organisation as well as aid in the development of strategies to overcome these. These findings will also result in the development of a winning value proposition and ensure the alignment of action plans with the key issues influencing employee perceptions;
- To extend the study to a wider group of employees i.e. employees based at all the organisation's sites including production/manufacturing employees. This will allow for a companywide strategy to be developed;
- Extend the study externally to gauge the perception of potential employees and their view of the organisation as an employer of choice. A recommendation is to conduct this research at various universities. These results can be used to compile an effective employer branding strategy to position the company as an employer of choice externally. This will ensure that because of the organisation's status and reputation, it is always the first choice (or at least on the short list) of high quality candidates and outperform the competition in attracting and retaining quality talented people; and
- An automotive industry study can be conducted to compare the results among automotive manufacturers since they compete for the same skill set. Industry benchmarks can be derived from these findings.

5.7 CONCLUSION

The war for talent, expectations of new generations and a more diverse population has fuelled the need for companies to retool and revisit their human resource practices in order to attract, develop and retain key talent. Various authors in literature have recommended that in order to react to these challenges, organisations need to develop themselves as an employer of choice in their respective industries. Furthermore, employer attractiveness or simply a “great place to work at” helps an organisation outperform its competition and achieve financial success.

The main purpose of this study was the identification of, and investigation into the organisational attributes of an employer of choice. Prominent organisational attributes as found in the literature were identified and validated in an empirical study conducted.

These findings indicated that employees concurred with the literature findings. Furthermore, the results indicated that if the organisation wants to become an employer of choice among its workforce, specific focus will need to be placed on those attributes that are negatively perceived among employees. It is also recommended that the organisation should better leverage the attributes that are positively perceived. The literature findings and empirical findings together resulted in the proposition of a strategic model that can be used by an organisation to change employee perceptions. In addition, areas of concern were highlighted and recommendations put forth by the researcher for improvements.



APPENDIX 1

Dear employee

In partial fulfilment of the requirements for the Master's Degree in Business Administration (MBA), at the Nelson Mandela Metropolitan University (NMMU), I am required to complete a research dissertation on a topic of my choice. The topic I have chosen is an investigation into the organisational attributes of an employer of choice with a focus on the automotive industry. I would like to ascertain what factors employees view as important in an organisation they would choose to be employed at and why. The findings of my survey will be compared to those of other studies and literature on this topic. Based on this, a report will be collated that we are hoping will make a valuable contribution to the body of knowledge in the organisational behaviour discipline.

You are part of our selected sample of respondents whose views we seek on the above-mentioned matter. We would therefore appreciate it if you could answer a few questions that should not take more than twenty minutes of your time.

Please note that this study is not related to GM South Africa or the company's Workplace of Choice strategy in any way. While high level trends and observations will be shared with the company, the survey is anonymous and individual questionnaires will only be seen by the researcher who does not know which questionnaire belongs to you. Our intention is not to analyse the data of individual employees.

Thank you in advance for your participation and support.

Sareesha Poonoosamy
Researcher

Professor Dave Berry
Research Supervisor

APPENDIX 2

SECTION A: DEMOGRAPHIC INFORMATION

Indicate your choice by marking the appropriate block with an (X).

1. My current age is between

18 - 25 years	
26 - 35 years	
36 - 48 years	
> 49 years	

2. My gender is:

Male	
Female	

3. My nationality is:

African	
Coloured	
Indian	
White	
Other (please specify)	

4. My highest qualification is:

A Senior Certificate (Matric)	
National Diploma/ Degree	
Post Graduate (BTech, Honours, Masters, Doctorate)	

5. I am currently employed as:

A Manager	
A Supervisor	
General Staff	

6. I have been employed with the company between (how many years)?

0 - 5 years	
6 - 10 years	
11 - 15 years	
16 - 20 years	
>20 years	

SECTION B: RANK IMPORTANCE OF THE ATTRIBUTES OF AN EMPLOYER OF CHOICE

The researcher has identified the following attributes of an organisation regarded as an employer of choice. Rank these attributes in order of importance to you i.e. the attribute that in your opinion is most important will be ranked as number 1.

Attributes of an employer of choice	Rank order
Respected Leadership – senior leadership in the organisation who are visionary, visible, accessible and emphasise the strategic value of people.	
Positive Engagement – that encourages employees to work with passion and feel a profound connection to the company.	
A Supportive Culture – that is warm, pleasant and genuinely appealing.	
Career Growth Opportunities – are sufficient and the company's actions clearly support the career development and advancement of employees.	
Rewards, Benefits and Compensation – that are linked to performance and valued by employees.	
Strong Company Reputation – confidence in the enduring strength of the company's brand and reputation.	

SECTION C: ATTRIBUTES OF AN EMPLOYER OF CHOICE

Please indicate with an X the extent to which you agree or disagree with each of the statements below:

	Employer of Choice	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	This is the best company to work for in South Africa					
2	If I had a choice, I will choose to work for this company over any other company					
3	In my opinion this company is an employer of choice in this industry					
4	I promote this company as a great place to work among my family and friends					
5	Employees are valued as assets					
6	This company is a good investor in its people					

7	I am proud to be an employee of this company					
8	I feel emotionally attached to this company					
9	I feel loyalty to this company					
	Respected Leadership	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Leaders think and operate strategically					
2	Leadership really cares about whether employees are happy					
3	Leadership is visible and accessible					
4	Leadership encourages and embraces change					
5	I trust leadership					
6	Leadership communicates a clear vision and mission					
7	Leadership is taking steps to ensure long term organisational success					
	Strong Company Reputation	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I am proud to wear company branded items					
2	The company's brand/s are known to all employees					
3	I have branded office stationery which the company has given to me					
4	I understand what the company's brands are all about					
5	This company has a good reputation and standing in the South African work environment					
6	This company is respected in the industry and community					

	Conscious employee engagement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I have a strong desire to be a member of this company					
2	I am willing to put in a great deal of effort beyond what is normally expected of me to make this company successful					
3	I know what is expected of me at work					
4	At work I have the opportunity to do what I do best every day					
5	In the last seven days, I have received recognition or praise for doing good work					
6	My supervisor and immediate manager cares about me as a person					
7	There is someone at work that encourages my development					
8	At work my opinions count					
9	My colleagues are committed to doing quality work					
10	I have a best friend at work					
11	In the last six months someone at work has talked to me about my progress					
12	In the past year I have had opportunities at work to learn and grow					
	Supportive Culture	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	This environment stimulates me to be creative and innovative					
2	The company promotes a healthy work-life balance					
3	The climate is warm, pleasant and genuinely appealing					
4	I feel a strong sense of inclusion and community					
5	This company has a unique culture that I can identify with					
6	I love the buzz and high levels of energy					
7	This is an exciting place to work					
8	There is pride and camaraderie here					
9	This company lets me know what's going on, I don't usually find things out from my friends					

10	I feel that my values and the company's values are the same					
11	Values that I admire in this company are respect and trust					
	Career Growth Opportunities	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	This company supports my career development and advancement					
2	My manager supports me with the general management of my career					
3	There are sufficient opportunities for career advancement for me					
4	My personal development needs are being addressed					
5	I have a clear career path					
6	I know what I need to do to progress my career					
7	I obtain constructive feedback in areas I can improve					
8	I see a future for myself at this company					
	Rewards, benefits and compensation	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	My salary is fair considering what other people receive at this company					
2	I do earn the kind of money I should for the work I do					

3	The reward system (salaries, promotions, benefits) is based on employee value, ability and performance rather than on luck, who you know or how well people can be manipulated					
4	My salary is linked to my productivity and performance					
5	My benefits, rewards, and compensation package is the reason I will never leave this company					
6	Management understands the contribution I make, and thanks me in a meaningful way					
7	The reward programmes offered are transparent and meaningful to me					

SECTION D – IMPORTANT ATTRIBUTES OF AN EMPLOYER OF CHOICE

For each of the statements below, indicate with an x whether you think that the statement is true or false.

Statement	True	False
Respected leadership is an important attribute of an employer of choice		
Conscious employee engagement is an important attribute of an employer of choice		
The company's reputation is an important attribute of an employer of choice		
A supportive culture is an important attribute of an employer of choice		
Career growth opportunities is an important attribute of an employer of choice		
Rewards, benefits and compensation are important attributes of an employer of choice		

Thank you for taking the time to complete this questionnaire.

LIST OF REFERENCES

- Ahlich, N. 2000. *Competing for talent: key recruitment and retention strategies for becoming an employer of choice*. Palo Alto CA: Davies. Black publications.
- Anderberg, M.R. & Froeschle, R.C. 2006. Becoming an employer of choice: Strategies for worker recruitment and retention. *Benefits and Compensation Digest*, 43(4):1-8.
- Armstrong, M. 2006. *A handbook of human resource management practice*. 10th edition. London and Philadelphia: Kogan Page Ltd .
- Ashley, M. 2011. South Africa Automobile Sales Volumes. [email] Message to S. Poonoosamy (sareesha.poonoosamy@gm.com) Sent Tuesday 19 April 2011, Available: archived in mailbox of Sareesha Poonoosamy [Accessed 01 June 2011].
- Babbie, E. 2001. *The practise of social research*. 9th edition. Belmont: Wadsworth.
- Bakanauskiene, I. Bendaraviciene, R. Krikstolaitis, R. & Lydeka, Z. 2011. Discovering an employer branding: Identifying dimensions of employer's attractiveness in University. *Organizacija Vadyba Sisteminiai Tyrimai*, Volume 59:7-22.
- Barrow, S. & Ambler, T. 1996. The employer brand. *Journal of Brand Management*, 4(3):185-206.
- Barrow, S. & Mosley, R. 2006. *The employer brand: Bringing the best of brand management to people at work*. Chichester: John Wiley & Sons.
- Barrow, S. & Mosley, R. 1996. The employer brand. *Journal of Brand Management*, 4(3):185-206.
- Barrow, S. & Mosley, R. (n.d.). *The employer brand: Bringing the best of brand management to people at work*. Chichester : John Wiley & Sons

- Baumgardner, C. 2004. Creating a workplace of choice starts with employees and their opinions. *Strategic Health Care Marketing*, [Online] Available: <http://www.corporatehealthgroup.com/ftpuser/CHG%20Library/Custom%20Service/Creating%20a%20Workplace%20of%20Choice%20Strategic%20Health%20Care%20Mktg%20Jan%2004.pdf> [Accessed 28 May 2011].
- Bavendam research: 2011. Ten Secrets to being an employer of choice. [Online]. Available: www.wednetpa.com [Accessed 04 April 2012].
- Bennett, M. & Bell, A. 2004. *Leadership and talent in Asia: How the best employers deliver extraordinary performance*. Singapore: John Wiley & Sons.
- Bhatnagar, J. & Srivastava, P. 2010. Employer brand for talent acquisition: An exploration towards its measurement. *The Journal of Business Perspective*, 14(1-2): 25-34.
- Bless, C. & Higson-Smith, C. 2000. *Fundamentals of social research methods*. Cape Town: Juta.
- Blumberg, B., Cooper, D.R., Schindler, P.S., 2008. *Business Research Methods*. (2nd ed.). Berkshire: McGraw-Hill Education.
- Bowes, B.J. 2008. Being an employer of choice has its bottom-line benefits. *CMA Management*. [Online] Available: http://www.managementmag.com/index.cfm/ciid/13420/la_id/1/document/1/re_id/0 [Accessed 01 June 2011].
- Boyd, G. & Sutherland, M. 2006. Obtaining employee commitment to living the brand of the organisation. *South African Journal of Business Management*, 37(1):9-20.
- Branham, L. 2005. Planning to become an employer of choice. *Journal of Organisational Excellence*, pp.57-67.
- Chhabra, L. N. & Mishra, A. 2008. Talent management and employer branding: retention battle strategies. *ICFAI Journal of Management Research*, 7(11):50-61.

- Chunping, Y. & Xi, L. 2011. The study on employer brand strategy in private enterprises from the perspective of human resource management. *Energy Procedia*, Volume 5: 2087-2091.
- Clarke, K. F. 2001. What businesses are doing to attract and retain employees - becoming and employer of choice. *Employee Benefits Journal*, pp.21-23 .
- Coetsee, L. D. 2003. *Peak Performance and productivity: A practical guide for the creation of a motivating climate*. Van Schaik: South Africa.
- Collis, J. Hussey, R. 2009. *Business research: a practical guide for undergraduate & postgraduate students*. 3rd edition. London: Palgrave Macmillian.
- Corporate Leadership Council (1999): The employment brand: Building competitive advantage in the labour market. Washington DC: Corporate Leadership Council.
- Dawn, S. K. & S, Biswas, 2010. Employer branding: A new strategic dimension of Indian corporations. *Asian Journal of Management Research* .
- Deloitte Touche Tohmatsu. 2009. *A new era, accelerating toward 2020: An automotive industry transformed*. [Online]. Available: http://www.deloitte.com/assets/Dcom-Global/Local%20Assets/Documents/A%20New%20Era_Online_final.pdf. [Accessed 05 March 2012].
- Deloitte. 2011. Best Company to Work For 2011: Making Africa a better place to work. [Online]. Available at: <http://www.deloitte.com/assets/Dcom-SouthAfrica/Local%20Assets/Documents/BCTWF%202011%20Results.pdf> [Accessed 10 April 2012].
- Deloitte. 2005. *Management briefing: Keeping a cut above the rest: Employee retention strategies*. [Online]. Available: www.deloitte.com/le [Accessed 03 April 2012].
- DeMarco. D. 2007. *Unlocking the employer of choice dilemma: Six keys to success in the fight to retain quality workers*. [Online]. Available: www.businesswest.com. [Accessed 03 March 2012].
- De Vos, A.S. (Ed.). 2002. *Research at grass roots*. 2nd edition. South Africa: Van Schaik.

- Dorna, H. 2007. Become an employer of choice: how to attract and retain high quality employees. *Behavioral Healthcare*, 27(2):30.
- DuBrin, A. 2010. *Principles of leadership*. 6th edition. Canada: South Western Cengage Learning.
- Fields, M. 2001. *Indispensable employees: How to hire them, how to keep them*. New Jersey: Career Press .
- Finney, J. 2010. The new 'new deal'. *Communication World*. March-April 2010:27-30.
- Fisher, Schoenfeldt & Shaw. 2006. The human resource craze - *Human Performance, Improvement and Employee Engagement*. [Online]. Available: wed.siu.edu> [Accessed 03 June 2011].
- Gaddam, S. 2008. Modeling employer branding communication: The softer aspect of hr marketing management. *ICFAI Journal of Soft Skills*, 2(1):45-55.
- Gatyeeni, L. 2008. Strategies for retaining talented staff and knowledge managers: A case study. Unpublished MBA dissertation. Port Elizabeth: Nelson Mandela Metropolitan University.
- Gerber, R.E. 2011. *Qualitative research and quantitative research methodologies, research methodology*, BNM5TR2 (unpublished). Port Elizabeth: Nelson Mandela Metropolitan University.
- Global executive insight . 2007. Employers of Choice in Countries of Choice. The Centre on Aging and Work. [Online]. Available: [www.bc.edu/aging and work](http://www.bc.edu/aging_and_work) [Accessed 28 February 2012].
- Gubman, 2011. *Becoming an employer of choice: Building a culture of trust*. [Online]. Available: www.tpohr.com [Accessed 14 March 2012].
- Guma, P.V. 2011. *Organisational factors impacting on employee retention*. Unpublished MBA dissertation. Port Elizabeth: Nelson Mandela Metropolitan University.

- Harrington, B. & Ladge, J.J. 2009. Present dynamics and future directions for organisations. *Organisational Dynamics*, pp.1-10.
- Harrison, D. 2010. *Do different generations have different workplace attitudes?* [Online]. Available: <http://www.researchpro.seals.ac.za> [Accessed 03 April 2012].
- Herman, R.E. & Gioia, J.L. 2001. Helping your organisation become an employer of choice. *Employment Relations Today*, p.63.
- Herman, R. E. & Gioia, J. L. 2000. How to become an employer of choice. Winchester Virginia: Oakhill Press.
- Hill, C. 2011. International business: Competing in the global marketplace. 8th edition. USA: Mc Graw Hill Irwin.
- Hinkin, T. & Tracey, B. 2010. What makes it so great? An analysis of human resources practices among Fortune's Best Companies to Work For. *Cornell Hospitality Quarterly*, Volume 51:158-170.
- Joo, B-K. & McClean, N.G. 2006. Best employer studies: A conceptual model from a literature review and a case study. *Human Resource Development Review*, 5(2): 228-257.
- Joyce, K. 2003. Lessons for employers from Fortune's "100 Best". *Business Horizons*, 46(2):77-84.
- Kaliprasad, M. 2006. The human factor 1: Attracting, retaining and motivating capable people. *Cost Engineering*, 48(6):20-26.
- Kotze, K. & Roodt, G. 2005. factors that affect the retention of managerial and specialist staff: an exploratory study of an employee commitment model. *SA Journal of Human Resource Management*, 3(2):48-55.
- Kucherov, D. & Zavyalova, E. 2012. HRD practices and talent management in the companies with the employer brand. *European Journal of Training and Development*, 36(1):86-104.

- Lawrence, D. 2010. Are you an employer of choice? *Nova Scotia Business Journal*, 25(5):9.
- Leedy, P.D. & Ormrod, J.E. 2005. *Practical research: planning and design*. 8th edition. New Jersey: Pearson Education International.
- Lenaghan, J. & Eisner, A. 2006. Employers of choice and competitive advantage: The proof is in the pudding. *Organisational Culture, Communication and Conflict*, 10(1): 99-109.
- Lennie, M.G. 2008. *Retention strategies for skilled SARS customs employees*. Unpublished MBA dissertation. Port Elizabeth: Nelson Mandela Metropolitan University.
- Lockwood, N. 2007. Leveraging employee engagement for competitive advantage: HR's strategic role. *SHRM Research Quarterly*, pp.1-11.
- Mackes, M. 2005. Becoming an employer of choice. *Ashrae Journal*, 47(11):59-60.
- Masson, R.C., Royal, M.A., Agnew, T.G. & Fine, S. 2008. Leveraging employee engagement: The practical implications. *Industrial and Organisational Psychology*, Issue 1:56-59.
- Maxwell, R. & Knox, S. 2009. Motivating employees to "live the brand": a comparative case study of employer brand attractiveness within the firm. *Journal of Marketing Management*, 25(9-10):893-907.
- Moran, M. 2010. Trends - commit to staff to build productivity. *Recruiter*, 28(04):27.
- Mosley, R. 2009. Employer Brand: The Performance Driver No Business Can Ignore. [Online]. Available:<http://marksherrington.com/downloads/Richard%20Mosley%20eArticle.pdf> [Accessed 20 March 2012].

- Melcrum Publishing: 2009. *Driving a high performance corporate culture-communications, tools, techniques and best practice from leading global organisations*. [Online]. Available: www.melcrum.com [Accessed 23 March 2012].
- Nirod, K.D. 2005. *Selection of research paradigm and methodology*. [Online] Available: http://www.celt.mmu.ac.uk/researchmethods/Modules/Selection_of_methodology/index.php [Accessed 25 June 2011].
- O'Neill, M. (Ed.). 2003. *Chambers concise dictionary & thesaurus*. United Kingdom: Chambers Harrap Publishers.
- Poisat, P. 2006. *A critical analysis of organisational strategies for employee engagement*. Unpublished DTech Thesis. Port Elizabeth: Nelson Mandela Metropolitan University.
- Polit, D.F. & Hungler, B.P. 1995. *Nursing research: principles and methods*. 5th edition. Philadelphia: J.B. Lippincott.
- Raj, A. & Jyothi, P. 2011. Internal branding: Exploring the employee perspective. *Journal of Economic Development*, 3(2):1-27.
- Risher, H. (2008). Planning and Managing Tomorrows Pay Programs. *Compensation and Benefits Review*. 40(4): 30-36
- Rivera, A. 2009. *Becoming the workplace of choice*. [blog]. 9 October, Available at: <http://blog.yoh.com/2009/10/becoming-workplace-of-choice.html> [Accessed 04 March 2012]
- Roman, K.C. 2011. *Assessing talent management within the Western Cape Provisional Treasury*. Unpublished Masters dissertation. Stellenbosch University. [Online]. Available: <http://scholar.sun.ac.za/handle/10019.1/6794> [Accessed 01 June 2011].
- Sherwood, M. 2008. *Become and 'employer of choice' by providing incentives, rewarding hard work*. Las Vegas Business Press (10712186), 25(2):23.

- Struwig, F.W. & Stead, G.B. 2001. *Planning, designing and reporting research*. Cape Town: Pearson Education South Africa.
- Sullivan, J. 1998.. *Becoming an employer of choice is a lofty goal*. [Online]. Available: <http://ourworld.comuserve.com//homepages/gateway/pp15js20.html> [Accessed 23 03 2012].
- Sutherland, M. Torricelli, D. & Karg, R. 2002. Employer of choice branding for knowledge workers. *South African Journal of Business Management*, 33(4):13- 20
- Thackray, J. n.d. The Gallup Q12. [Online]. Available: http://www.artsusa.org/pdf/events/2005/conv/gallup_q12.pdf[Accessed 10 June 2012].
- The World Economic Forum, 2011. *The Global Competitiveness Report 2011-2012*. [Online]. Available: <http://reports.weforum.org/global-competitiveness-2011-2012/#=> [Accessed 05 March 2012].
- Tomlinson, G. 2010. Building a culture of employee engagement. *Strategic HR Review*, 9(3):25-31.
- Tulasi, D.V. & Hanumantha, R.P. 2012. Employer brand in India: A strategic HR tool for competitive advantage. *Advances in Management*, 4(1):23-27.
- Vaijayanthi, P., Roy, R., Shreenivasan, K. & Srivathsan, J. 2011. Employer branding as an anecdote to organisation commitment: An empirical study. *International Journal of Global Business*, 4(2):91-106.
- Van Rijswijck, E. 2011. *Motor industry, government talk more jobs*. [Online]. Available: http://www.medioclubsouthafrica.com/index.php?option=com_content&view=article&id=2601:zuma-motor-101011&catid=45:economynews&Itemid=114Motor industry, government talk more jobs [Accessed 20 February 2012].
- Warren, A. 2005. Communication key to being an employer of choice. *Management Today*, p.13.

- Whittington, J.L. & Galpin, T.J. 2010. The engagement factor: Building a high-commitment organisation in a low-commitment world. *Journal of Business Strategy*, 31(5):14-24
- Wickham, M. & O'Donohue, W. 2009 . Developing employer of choice status: Exploring and employment marketing mix. *Organisation Development Journal*, 27(3):77-95.
- Wiley, J. 2009. The Strategic Employee Survey. [Online]. Available at: <http://www.kenexa.com/getattachment/d574675f-a339-49d6-809d-2606d9e29bd1/The-Strategic-Employee-Survey.aspx>