ASSESSMENT OF EFFECT OF STAFF SATISFACTION ON BRAND IMAGE OF A BANK

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ABSTRACT

This paper investigated the effect of staff satisfaction on brand image of a bank, and it also focus on employee's perception on varied factors of staff satisfaction viz. bank's recruitment policy, knowledge level of colleagues and seniors, incorporation of their ideas and their viewpoints in decision making by the top management and reward system. Research Methodology used is exploratory and descriptive. For accomplishing research objectives, questionnaire technique has been administered to 50 IDBI bank employees (managerial staff) from Jaipur region (Rajasthan). Our statistical analysis states firstly, that there is an effect of staff satisfaction on brand image of IDBI bank and secondly, that employees of IDBI Bank states that the brand has a scope of improvement in the factors associated with staff satisfaction. It can be thus concluded, that that there are certain action points for the organization to take under consideration for framing its employee branding strategies. Since, employees are the mirror image of the brand, brands need to motivate employees to communicate brand image as intended. Idea of employee branding is still in its nascent stage for Indian banks, our research will further contribute towards development of this concept and its implementation.

KEYWORDS: *Brand Image, Employee Branding, Relationship Management, Staff Satisfaction.*

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Introduction

A brand is an idea or an image with which the consumers connects by recognizing the name, logo, slogan, or design of the company, for a product or a service. It is a vibrant picture held in consumers' minds. Branding allows companies to build their reputations and add to the revenue. Brands brings about a difference in a way that brands are "What the consumers buy", on the other hand products are "what concern/companies make". Brand is a collection of emotional and functional associations. It promises and tries to deliver the product as per customer's expectations. It encourages customer's expectations about the product. A brand presents a particular information about the organization, its goods & services, and hereby differentiating it from others in marketplace. It also carries guarantees about the characteristics thus making the product or service unique. A strong brand makes people aware about the company and its offerings.

Brand Equity in Banking Industry

The bottom line down here is – customer is the king, treat him like one or get sacked.

In today's world, where the budding financial market is full of competition, brand becomes a decisive point in choosing a bank for any individual or organization. To acquire a space in customer mind the bank strives to provide quality services, financial power and also the promises guaranteed. It implies that higher customer mind share is possible only when the consumers have a positive experience with the bank, thus the service qualities impacts the bank's brand image.

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- **Brand Imagery**

A perspective of a consumer, more than what the brand actually does for them. It is an abstract image, more inclined to non product features. To create a strong brand identity ICICI bank has used vibrant colours, attractive fonts, and smart images. ICICI had also explored the option of changing its name which felt to be a tongue-twister but it was retained due to the goodwill attached to the name. HSBC Glocalizing- itself as "The World's Local Bank". In an endeavor to establish, a brand image of being "The World's Local Bank", HSBC has set itself apart as a bank. It has preferred to take care for the needs of local customers while having many global connections. Image established differently around the world can be best personified by HSBC's commercial.

- **Creating a Brand Image**

An image is not formed overnight and takes time, money and efforts to build a successful brand. It can be strengthened using brand communications like advertising campaigns, packaging, word of mouth publicity, other promotional tools, etc. to influence the customers.

For a brand to be successful it is essential to have the basic steps in for creating a brand image:

- **Unique:** It is important for a brand to be uniquely valuable and communicating the same to the customers. The promise made to the customers helps in building a strong brand image.
- **Differentiation:** Standing apart from the crowd is the key to success. Examining the competitors and then serving the customers with a differentiated product range helps in building
- **Integrated Marketing Communication:** for the creation of a strong brand image all the marketing tools should revolve around this central theme and covey the very same idea. The brand values should be communicated throughout the company, since every single employee or a stakeholder is a brand ambassador. Everything be it the website, social media or an employee should present a unified picture of your company
- **Consistency:** Brand is about creating and meeting expectations as promised. It is important for a brand to deliver the value to the customers in a consistent, purposeful, and effective manner so that loyalty can be built in long run.
- **Employee Branding:** Representing Company in the best light to current and prospective employees, its internal and external stakeholders and therefore customers. Quoted by Sandra Miles and W. Glynn Mangold's Kelley School of Business "the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents." Ted Bauer business enthusiast wrote, "It's about getting your employees on board with who you are and what you do and then, through social sharing and word of mouth, they convey that externally."

- **About Employee Branding**

Employee branding is how a brand is seen by other people who would like to associate themselves, would like to work with the brand. Since, banking domain is all about money, employee branding has to be more vigil and untarnished. Since people trust banks with their hard earned money they want a bank that they can trust

Review of Literature

Rise of corporate branding leads to employees' identifying themselves with the organizations interest. Since employees internalize organizational attributes, it's values and mission the interest merges (Harquail, 2007). Employees are critical part of brand management since they are the one presenting brand to the customers (Ahmed and Rafiq, 2003). Employee branding is a new concept it shapes behavior of employees so that they may project the brand's image in their everyday work (Harquail, 2007). Employee branding is a process laid down which formulates the desired brand image (Miles and Mangold, 2004). Employee branding enables organization to consecutive deliver the desire brand image to its customer. International Journal of Asian Social Science, 2015, 5(3): 140-155 © 2015 AESS Publications. Branding for employees when done properly, it also helps in desired competitive advantage (Miles and Mangold, 2005). A psychological contract is the agreement in employee's mind wherein he is in an exchange relationship with the organization. (Mile and Mangold, 2007). Randolph (1995) states that employee empowerment is transfer of power from administrators to the employees. Highly skilful employees when do not feel empowered become demotivated and hampers growth of themselves and organization.

Employee engagement, educating them, giving them power, equity, using their input in decision helps in employee branding practice (Memon and Kolachi, 2012). His performance is also linked with attuning attitude of employees in order to replicate the brand message intended by the employer (Horrigan and Juskiw, 2010; Shaari et al., 2012). Aligning resources with marketing helps in reinforcing branding of employee (Aijaz and Ali Shah, 2013). Internal branding is molding behavior of employees towards brand image by educating and promoting one owns brand them (Aurand et al., 2005). Internalizing one brand helps in achieving brand reputation and Simões and Dibb (2001), it is like selling your brand to your own employees. Employee-brand identification new coined termed is when employees start relating and defining brand attributes as its own (Harquail, 2007).

Achieving Employee Branding through Staff Satisfaction

Staff Satisfaction: It is necessary for a successful organization to satisfy their customers, and the value of the employee's satisfaction in this respect should not be ignored. For example non-financial measures such as goodwill bring the long term benefits for firms. In industries, such as banking, in which customers directly interact with employees, the behavior of employees influences the customers to leave or stay. Therefore, organizations especially in the service sector should pay more attention to employee satisfaction. Much research indicates the positive relationship between employee satisfaction and customer satisfaction. As both the customer and employee satisfaction have long term effect on the growth of business, firms should consider social welfare programs as a priority. As Goedegeburre (2005) proposed the ultimate result of employee satisfaction is the success of business, reflected in customer satisfaction. Banking services are intangible because, customers mostly rely on the employee's behavior. Hence, understanding the effect of the employee's performance is critical. Measuring the customer satisfaction as a non-financial measurement, is the key factor for organization. 25 The satisfied and loyal employee works in a way that decreases the cost of company such as operating cost and production cost. This can leads towards profitability. Correspondingly the satisfied customer can encourage other people to refer to the same bank, called "word of mouth" which leads organization to profits. These processes are like a chain that will bring profitability for organization, especially banks.

Research Undertaken

- **Rationale & Objectives of the Study**

Although, review of literature suggests that there have been studies on impact of employer branding on different service industries but there has been no valuable insights thrown on its effect on banking industry on dimension of staff satisfaction. Hence, this exploratory study is one of very few studies which study the effect of staff satisfaction on brand image in an Indian banking context. The objective of the study is to assess different factors of staff satisfaction and its effect on brand image of IDBI bank.

- **Research Methodology**

Adopting an exploratory and descriptive research design with employees, a structured deductive approach was adopted for this in-depth stage of the research. Structured personal interviews were chosen as the most appropriate means of data collection. This helped in research work to onward discover feelings, memories (brand recall) and interpretations in relation to staff satisfaction. Research methodology adopted in our research work is quantitative in nature with Likert's scale used as our tool. Scope of study: We have used IDBI Bank to pick population from. The population of the study comprised of employees of IDBI Bank at different level in organization and varied experience level and association with the bank. Judgmental sampling design is used since it is a viable sampling technique in obtaining information from a very specific group of people. The said technique has been used since the samples selected are the reliable authorities capable of assembling a representative sample.

Statistical Tests used Data analysis tools like SPSS, advance excel has been used to tabulate raw data. Further, statistical tests were used viz. One sample 't' test, which determines that whether a sample comes in from a population with a specific mean. The population mean is not always defined it can also be hypothesized. One-sample t-test using SPSS, as well as interpret and report the results from this test. To test whether the responses are statistically valid for given sample size, one sample student 't' test is applied with significance value chosen at 0.05. In our research work we have also applied Pearson correlation coefficient; it is a measure of the linear correlation between two variables X and Y. According to the Cauchy–Schwarz inequality it has a value between +1 and –1, where 1 is total positive linear correlation, 0 is no linear correlation, and –1 is total negative linear correlation.

Many companies focus all their branding efforts on marketing activities such as advertising campaigns and packaging, yet one of the most powerful brand assets your company has is your people. Regardless of which industry you're in, building a strong brand requires that all employees feel connected to the corporate brand and understands their role in turning brand aspirations into reality. This present study examined how employees perceive bank brand image and the factors that affect those perceptions. An extensive review of the literature indicated a need for a better understanding of this area which is related to employee job satisfaction and how it affects a brand image. A total of 50 questionnaires were distributed to employees who were working in IDBI bank. The study investigated employee attitudes toward the bank brand image, employees' perceptions of their job satisfaction and demographic characteristics. The following hypothesis has been statistically tested.

Hypothesis	Null / Alternate	Description
H1	Null	There is no effect of staff satisfaction on brand image of IDBI bank
	Alternate	There is an effect of staff satisfaction on brand image of IDBI bank

To further strengthen the validity of our data, we have applied a one sample 't' test on the staff satisfaction scores. The major objective of this test is to measure the staff satisfaction level in IDBI. Later this data has been co-related to brand image value to analyze the relationship between the satisfaction level and their perception towards IDBI brand.

- **Staff Satisfaction**

Following dimensions are used to measure staff satisfaction level. Given table explain the related descriptive statistics and corresponding statistical test. One sample 't' test is applied, which is used to determine if a sample comes from a population with a specific mean. This population mean is not always known to us, but is sometimes hypothesized. The dependent variable is measured at the interval scale. The data is independent (i.e., not correlated/related), which means that there is no relationship between the observations. This is more of a study design issue than something you can test for, but it is an important assumption of the one-sample t-test. We keep the default 95% confidence intervals. Results are presented below:

Table 1

- **Dimensions**

Dimension	Scale Item	Variable Name
Staff satisfaction	Bank recruit best financial executives	Best_exct
	Staff at Branch is knowledgeable	Staff_knw
	Everyone's input is incorporated in org. decisions	Org_DecMk
	Employees are rewarded for high-quality work	Emp_rwrd
	The Top management gives confidence towards the brand	Brand_conf
	Overall, I am satisfied with my job	Job_satfc

Findings of the Research Undertaken

- The survey included 50 bank employees. From, the total respondents, about 64 percent of IDBI bank employees are male while 36 percent were female. 34 percent of employees are between age of 20-30 years of age and only 14 percent of employees are more than 40 years of age. A small proportion belongs to higher age group. Majority of respondent from IDBI bank belong to Manager/ executive cadre. A small proportion belongs to less than 5 year of experience in the industry. About 38 percent of employees are having experience of 10-20 year of banking experience group.

- From the descriptive statistics, it can be concluded employee believes there is scope of improvement in their satisfaction towards their work (t_{job_satfc} (49) = -2.226, p = .031). The statistical test further strengthens the belief on the data gathered. Table for 't' test result, presented with the observed t-value ("t" column), the degrees of freedom ("df"), and the statistical significance (p-value) ("Sig. (2-tailed)") of the one-sample t-test. The p values are < .05 for majority of dimension and 't' values are Negative, which conclude that they believe that there is scope of improvement in the bank's recruitment process (t_{Best_exct} (49) = -5.161, p = .000); knowledge level of existing staff members (t_{Staff_knw} (49) = -2.527, p = .015); there can be

more incorporation of employees input in organization decision making (t_{Org_DecMk} (49) = -7.012, p = .000). Employees also feels that there can be a better connect between reward system and high-quality work (t_{Emp_rwrd} (49) = -3.692, p = .001). Employees also feels that top management can provide better confidence towards the brand. (t_{Brand_conf} (49) = -6.567, p = .000).

- Pearson correlation was used to determine the relationship between brand image and an individual construct of job satisfaction. There was a positive and statistically significant correlation between overall Job satisfaction and Brand Image (r = .361, n = 50, p < 0.05). It means that as the job satisfaction increases and brand image perception among employees also increases. There is also no significant correlation between brand image and other dimensions of job satisfaction.

- Result from data analysis reflected that employees presumes that there is scope for improvement in factors including bank's recruiting practices; knowledge level of existing staff members; there can be more incorporation of employees input in organization decision making. Employees also feels that there can be a better connect between reward system and high-quality work. The results also exhibit that top management can provide better confidence towards the brand.

- There was a positive and statistically significant correlation between overall Job satisfaction and Brand Image. It means that as the job satisfaction increases and brand image perception among employees also increases. There is also no significant correlation between brand image and other dimensions of job satisfaction.

Conclusions and Future Implication of the Research

This paper investigated the effect of staff satisfaction on brand image of a bank, and it was revealed employer's perception on varied factors of staff satisfaction. These factors such as bank's recruitment policy, knowledge level of colleagues and seniors, incorporation of their ideas and their viewpoints in decision making by the top management and reward system give us a holistic idea about satisfaction factors and impression of employees for a brand. Employees stating brand has a scope of improvement in these factors reflects that there are certain action points for the organization to take under consideration for framing its employee branding strategies. Idea of employee branding is still in its nascent stage for Indian banks, our research will further contribute towards development of this concept and its implementation.

Since, correlation of job satisfaction has been established with brand image, banks need to focus on understanding its implication. As quoted by Homburg and Stock, 2004; Employee satisfaction is "An attitude that results from an evaluative process, where some comparison standard about the work environment is performed with the actually perceived work environments". It is a pertinent factor for success for almost all types of organizations. A satisfied employee will lead to positive word of mouth for the brand and will strengthen brand image. Difference in work style will range from being less prone to absence, higher productivity, will display more commitment towards organizations.

Reputation of a brand is formed through various groups like consumers, employees, investors, stakeholders and also general public (Jackson, 2004). Realizing the role of synergy that employees have in creating a positive band image and brand recall, management can obtain desired results in achieving corporate strategy and marketing objectives. A rough and a bad experience with an employee of a bank can lead to people switching banks and being disappointed with a bank forever on the other hand there have been instances where in a highly positive experience with an employee has led to customers moving their banking wherever that particular staff moves. Such is the power of relationship banking. Customer's are about relationships and their work being dealt smoothly. Employee satisfaction is first step to customer satisfaction and strengthening brand. With banks in every nook and corner and competition so stringent, a brand needs to ensure employee satisfaction for lower attrition and best in class service.

Employees are brand ambassadors more than figurative brand ambassadors. They have the power of to alter the perceptions of customers with the approach they follow. In summary, our research reviewed literature related to employee branding, staff satisfaction, brand image of banking in Indian context. Our findings were in direction with observations of other researchers. Finally, the data from this study indicated positive effect of staff satisfaction on brand image of IDBI Bank Ltd.

The research work paves the way for understanding employee branding and its effect on brand image, although trending in other industries, employee branding is still niche area wherein studies in Indian banking industry haven't taken place. However, similar studies could be conducted considering other banks. It is also recommended that the current research work can also be examined in another service industry to know the generalization of the research work.

Suggestions

Since employees are mirror image of the brand, it is important to take into consideration, steps through which brand name can be established:

- **Defining Brand to Employees**

Gallup survey in 2013, suggested that only 41% of the employees are aware of what brand means and stands for, their vision and mission, or how it differentiates itself from its competitors. In spirit usually brand logo and slogan is asserted with brand image but it also contours employee understanding objective of a bank. Effective measure could be asking employees to describe the brand and perception of employees. Further, bridging the gap, if any observed by counseling and training.

- **Positive Online Reviews**

Websites like Glassdoor records employee experience with a brand and classify a company accordingly. Positive reinforcement to the staff can help in improving ranking on such platforms and developing a strong brand image in the market.

Besides, positive testimonies of interaction between staff and employees being posted on varied mediums like Twitter, Facebook or a You-Tube video can be viral in today's date and can lead to a change in mindset of consumers and will lead to a brand recall value.

- **Incentivizing Staff**

It's important to motivate the staff to post online about the brand. Such motivation can be intangible wherein employers make the employees feel their role is important and their efforts being recognized by the top management. American Psychological Association survey in 2014 states that over 91 % of employees who felt valued said they were motivated to promote for their employer and give back to the organization in comparison to 37 %of employees who felt they were not valued.

- **Right Gears for Branding**

It's important to note that although the staff is motivated to brand the bank, proper training is essential to know the content employees can share and on which platform. Since subject brand is banking wherein it is directly linked to money. Platforms used as a medium should be thoroughly investigated.

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