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Strategic Employer Branding: the brand and image management as attractiveness for talented capital

Abstract
The aim of the present research is that of evaluating brand and image management as strategy to attract talented human capital. In this direction, the research points at deepening employer branding as a perspective of both external and internal marketing strategies, aimed at attracting, integrating and maintaining talents (Kotler, 1994; Ewing and Caruana 1999; Berthon, Ewing and Li Lian Hah, 2005) able to create value for the firm and to become business partners in the shared goal of sustainable competitive advantage. Moreover, human capital can represent a strategic resource for a firm, often becoming a relevant source (Beer, 1997; Lepak et al, 2005; Barney and Wright, 1998) of sustainable competitive advantage (Barney, 2006). Starting from RBT, a theoretical framework is proposed, taking into account the most relevant strategic factors of employer branding, with reference both to potential and to actual employees, as strictly connected with corporate brand strategy. The innovative aspect of the research is that employees become themselves possible resources, in function of their specific role in the firm value creation process. The empirical part aims at verifying the importance of employer branding strategies in a high – knowledge-based context and specifically in Italian high – tech firms operating in the aerospace sector. Results demonstrate the necessity of an aware and structured approach in corporate brand and employer brand’s building.

Keywords:
employer branding, strategic human resources, social capital, resource based theory, knowledge management.

1. Introduction
Employer branding is an increasingly important issue in firm’s management and marketing for a number of reasons. First of all, talents at different levels of the organization can become strategic resources, that is resources able to generate sustainable competitive advantage. This means there are significant strategic and organizational implications. Secondly, in times of crisis and economic recession it is very important for firms both to select the most capable workforces
and to try to retain the most talent ones. Thirdly, it’s a very interesting interdisciplinary subject, that shows the importance of marketing as a process in firm’s management. Besides, employer branding itself is facing an evolutionary process, as explained in the analysis of the literature on the subject, requiring more innovative approaches in trying to attract both current (in order to retain them) and potential (in order to attract them) employees. And yet this stakeholders’ category has specific features that are particularly relevant for firms’ success and require ad hoc marketing policies. This paper tries to systematize literature on the issue and to propose a specific approach that could become a possible support to decision making. The analysis, however regards the higher levels of organizations and is based on interviews to entrepreneurs and top managers.

2. Objectives and research model

The present research focuses on employer branding strategy as a leverage of sustainable competitive advantage (Sullivan, 2004). This perspective aims at highlighting the role of HR (human resources) as a critical resource, to be managed strategically in order to create and exploit value. The intangible nature of this asset requires a specific strategy definition, implementing both internal and external marketing and organizational strategies, aimed at attracting, integrating and maintaining talents (Kotler, 1994; Ewing and Caruana 1999; Berthon, Ewing and Li Lian Hah, 2005). These latter, if well managed, can be able to create value for the firm and to become business partners in the shared goal of sustainable competitive advantage.

Moreover, the research has been designed starting from the dual purpose of examining the role of recruitment tools and human resources selection, connected with employer branding strategies, and analysing if and how these latter allow firms to achieve sustainable competitive advantage. Moreover, the research project aims at outlining the different natures of the research focus, highlighting the links between a number of variables inside the employer branding phenomenon. Therefore, the empirical study tries to combine the three methods of collecting data: exploratory, focusing on the collected data analysis; causal, considering the existence of the cause-and-effect bonds between determined variables and employer branding, and descriptive, considering that a survey has been conducted (through a questionnaire) on a sample of Italian Aerospatiale firms (Bonomo, 1995).

In order to achieve these objectives, the research is structured in a logical sequence of steps each of which is linked to the next, according to an input-output pattern.
Table 1- Research Design

In order to analyse the role of employer branding in the value creation – exploitation process in the achievement of sustainable competitive advantage, the overall research project tries to answer to the following research questions:

1) What kinds of relationships exist between corporate brand and employer branding?
2) How is it possible to evaluate the theoretical development of employer branding in its connections with both marketing and organizational studies?
3) What are the main strategic factors in employer branding in order to reach a competitive advantage?

In the present paper, in the theoretical part we try to examine the main literature on the topic while in the empirical one we mostly concentrate on the first one and on some implications connected with the second (Human Resource Management).

Considering these questions, the research deeply roots its theoretical background in:

a. Literature on resource-based theory and human resource management;

b. Literature on the relationship between marketing strategies and human and social capital management;

c. Literature specifically related to employer branding.
The empirical part aims at verifying the importance of employer branding strategies in high-knowledge-based contexts and specifically in Italian high-tech firms operating in the aerospace sector. The sample is selected on the basis of two aspects: the business activity and some qualitative variables. According to the former, the analysis focuses tightly on aerospace companies, thus excluding suppliers, such as firms that are specialized in components production. As regards the latter, the number of observations is defined by a sum of factors and precisely: company’s attractiveness (both on the final market and on the labour market) and membership of the Italian Aeronautical Metadistrict and of AIAD (Federation of Italian Companies for Aerospace, Defense and Security). To the sample as depicted below a questionnaire has been drawn up and set on an on-line loaded SurveyMonkey platform. The last phase of the research design provides data processing to be associated to cases of the proposed model and to the research questions. The questionnaire has been articulated into open and close questions reducing the possibility of different interpretations and of discussing not foreseen alternatives. The last phase of the research design provides data processing, associated to the research hypotheses. The work is expected to get both observation – interpretation results, in order to provide a theoretical framework of employer branding, representing a possible support tool in firms’ strategic and marketing choices. In other words, the research can provide support and suggestions for managerial decisions related to the actions to be implemented in employer branding perspective, in order to create and capture intellectual capital’s value as a source of competitive advantage (Della Corte, Mangia, 2009).

3. **Employer branding: literature review**

The new perspective of employer branding has to be found in the marketing research field, with specific reference to internal marketing. Particularly, the first point to clarify is that, although the literature is not yet extensive, the concept of employer branding has received much attention in recent years (Lievens et al., 2007). The firm capability to create a clear image, able to make the employer brand distinguishable from competitors, is an asset of growing importance, for both current and potential employees. Another interesting aspect is that the concept of employer branding determines a link between marketing (the birth area) and human resource management, with specific reference to the processes of recruitment and selection (Lievens et al., 2007; Smedley, 2007b). Particularly, employer branding strategies empower the firm’s attractiveness targeted to talents, in terms of possible benefits that they glimpse (if potential entrants) or live (if already placed) in firm’s
Employer branding, therefore, represents a frontier concept because of the interconnections between different disciplines (strategic management, marketing, organizational studies, organizational psychology). In particular, it is an attempt to apply typical concepts of marketing policies to recruitment, selection and retention of human resources in an innovative perspective (Cable and Turban 2001; Capowski, 1997, Maurer et al., 1992).

The link between recruitment and selection tools and the creation of a corporate image is based on the presence of certain relationships, empirically verified. In particular, the presence of an employer brand has positive effects in terms of quantity and quality of applications submitted during human resources recruitment and selection (Collins and Han 2004, Collins and Stevens 2002, Fulmer et al., 2003).

In the process of recruiting, a better brand (more distinguishable, for example) and, or an enhanced reputation as an employer allow firms to obtain a larger number of applications and, among these, a greater number of applicants with richer curriculum contents, which improves quality in the selection process (Fulmer et al., 2003).

3.1 The evolution of the brand concept in managerial terms

Literature about brand was initially (Baker, 1996; Kotler, 1997) focused on the distinctiveness of the company’s products or services. Brand was mainly considered a marketing capability of determining firm’s distinctiveness. The focus was on the customer - target to be persuaded. Over time, the concept has been expanded considerably, with reference to both the role of brand in the marketing process and to the concept itself, arriving to refer to the firm’s identity in the increasingly dynamic competitive environment (Figure 1).

Hence, a first approach of employer branding studies starts just from brand. The role of brand is fundamental because of its capability to create differentiation among products and mostly firms, generating awareness and loyalty (Della Corte, Piras, Zamparelli, 2010). Starting from this assessment, it is possible create a parallelism. In fact, if product brand expresses the product functional attributes in order to attract clients (Aaker, 1996) and if corporate brand aims at strengthening the firm image for a wider external audience, employer branding can be considered as the firm internal and external activities targeted to both current and potential employees.

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1 Berthon, Ewing and Lian Hah define the brand attractiveness as “the envisioned benefits that a potential employee sees in working for a specific organization”, 2005, p. 156.
In marketing terms, brand should be able to express the philosophy of process’ contents, according to the firm’s strategic vision (Balmer and Geyser, 2002). So, literature has extended from a focus on the consumer branding only to a broader concept: brand has became an expression of the firm’s distinctive factors, of its values and corporate culture (Harris, Chernatonym 2001). Some scholars (Ribinstein, 1996) shows the brand is actually integrated throughout the company’s business activities and it doesn’t merely represent just one aspect of marketing: brand management regards the whole company’s activity, from production to communication.

Hence corporate brand (Ind, 1997) is considered as a firm’s external message, as its strategic expression, as in summary of positioning options, as external communication activities, personnel behaviour and style. In this direction, the brand becomes the expression of the entire corporate image (Ollins, 1989, Laforet, Saunders, 2005), of its vision and mission, of organizational identity (internal and external set of values, culture) and reputation. For these reasons, brand has to be linked to corporate identity, aiming at creating value not only for customers but for a wider range of stakeholders. Thus, it must be set the corporate vision, values and culture. Some studies (Della Corte, V., 2009) demonstrate that the marketing process is in fact an extended process, characterized not only by external marketing, in relation to demand, but also by internal (towards employees), relational (towards firm’s stakeholders and partners) and interactive (among firm’s employees and customers) marketing (Figure 1). Employees are a relevant actor in form’s marketing process, not only as targets of internal marketing actions for recruitment motivation purposes but also for the fact that they often interact with customers/clients on behalf of the firm (interactive marketing). This is particularly relevant in the services sector, given the coincidence between the phases of delivery and fruition, with a snap evaluation of service’s quality just while it is provided (Boxall, 2003).
Literature has defined employer branding from different perspectives (Ambler, Barrow, 1996; Ewing, Pitt, Bussy, Berthon, 2002), considering its functional and theoretical foundations (Backhaus, Tikoo, 2004) as well as examining its attributes and relative positioning (Berthon, Ewing, Hah, 2005). More formal appears the definition given by Ambler and Barrow (1996). The two authors that state “the employer brand can be understood as a package of functional, economic and psychological benefits provided by employment, and identified with the employing company”. This definition marks a turning point in the literature, because it shows the strict interconnections between a typical categorization of marketing and a typical field of human resource management. It is absolutely true that much of the literature sees the organizational image, as amended by Smircich (1983), as something that an organization possesses. According to this perspective, the organizational image can be understood as:
- a variable;
- an integration and stability factor;
- a top management product;
- a strategic direction factor.

In a highly competitive recruitment environment, building a strong image can determine the firm’s success or failure. In fact, the adoption of an employer branding strategy implies a stronger relationships between corporate branding activities and human resources management, in terms of both talent recruiting and retention. In this direction, the employer branding studies derive directly from brand, reflecting the same notions. Thus, according to
the American Marketing Association, a brand is “a name, term, sign, symbol, or design, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors” (Schneider, 2003). This definition highlights the hybrid nature of brands, consisting of tangible and intangible attributes which can become able to create value if well managed (Swystun, 2007). More specifically, with “employer branding” the literature indicates the firm’s capability of differentiation as an employer from competitors. Hence, the employer brand highlights the unique aspects of the firm as employment placement and environment (Backahous, Tikoo, 2004). In this direction, scholars identify the employment experience as the “employment offering”, implying that this experience is offered both to current and to potential employees. From this perspective, employer branding develops in a double direction: external and internal marketing. The first establishes the firm as best choice able to attract talented workers. So, if the brand results distinctive, it will allow the firm to acquire the best human capital on the labour market. In the internal marketing perspective, employer branding helps to create a specific, ideal workplace, difficult to imitate: this can become a source of competitive advantage in resource-based theory.

Moreover, Davies (2007) sustains that both perspectives of brand, consumer and employer distinctiveness, use four attributes: the capability to differentiate, to create loyalty, to satisfy and to develop an emotional attachment. In order to fully develop all these attributes, brand values have to be communicated to the whole organization in order to spread knowledge among employees (Lloyd, 2002) Employer branding campaigns tend to involve the whole organization’s tangible and intangible employment offering, including also aspects such as image and identity, emphasized through sophisticated communication campaigns. In this process, a key role is that of image (Keller, 1993; Beaumont, 2003) and human resources acquire a central role (Gronroos, 2007). If brand is an expression of the firm’s identity, numerous studies have demonstrated that marketing and organizational behaviour are the basis of the corporate identity and can be connected with a relationship of mutual causality and culture as well as with the true firm’s values dependency. On the other hand, the behaviour of human resources is the “moment of truth”, confirming or not the external image that the brand should communicate.

Brand image concerns the associations held of a brand in memory and brand personality, the projective technique used here, is one measure of these (Keller, 1998). Brand personality, the “set of human characteristics associated with a brand” (Aaker 1997), is a way of obtaining a holistic view of a brand’s associations by using metaphorically brand as a person and
applying the equivalent of a personality test to the brand. Personality thus dominates the employees’ satisfaction: employers need to focus on this dimension in their promotion of their employer brand (Davies, 2007).

Thus employer branding involves promotional activities, both within and outside the firm, in order to make a firm different from competitors and desirable as an employer (Dell, Ainspan, 2001).

Moreover, the linkage between the brand for consumers and the brand for employees is highlighted by Morovo and Uncles (2008). In fact, they define the characteristics consistent with consumer-focused and corporate branding theory, considering the embryonic characteristic of employer branding as a development of consumer/corporate branding theory and practice.

Particularly, embryonic characteristics are:

- **being known and noticeable**: successful employer brands are characterized as being “known” and “noticeable” both by current and prospective employees;

- **being relevant and resonant**: for employer brands, “consumers” are current and future employees, for whom a distinct value proposition applies. The employee value proposition is a distinct package of benefits offered by the firm that relates specifically to future and current employees (Ambler, Barrow, 1996; Micheals, Handfield, Akerold, 2001). Successful employer brands are characterized by having a value proposition that is relevant to and resonant with their potential and current employees;

- **being differentiated from direct competitors**: having a differentiated employer brand is seen as the key in winning the “war for talents”. A successful employer brand can be named by applicants and meaningfully differentiated within competitors, even if defining which brand aspects underpin this differentiation results complex.

Additional characteristics are:

- **fulfilling a psychological contract**: the employer brand as an ongoing promise to employees is a very strong and recurrent theme for all industry experts. Successful employer brands are seen as being accurately portrayed through marketing communications and realistic bound to brand’s promises;

- **unintended appropriation of brand values**: another recurrent theme that sets employer brands apart from both tangible products and intangible services is that employees cannot readily assess a potential employing firm prior to experiencing employment within the firm.
Prospective employees often suffer from a lack of information regarding a possible employer (Spence, 1974; Wilder, Gudergan, Lings, 2006).

Even in organizational behaviour studies, some authors emphasize that employer branding has an important role in the field of personnel psychology, analysing those factors that influence the firm’s attractiveness in potential recruits. This perfectly follows the central aim of employer branding: ensuring that an organisation is identifiable and attractive for potential recruits. Particularly, this research vein underlines how potential recruits are more likely to apply for a job in a specific organisation with an existing positive reputation. The greater a company’s reputation is, the more attractive it tends to be considered by potential recruits. The reputation consists of different factors. In fact, even if profitability has been found to be important in predicting positive perceptions of corporate reputation, this would only be applicable to profit-making organisations. Perceptions as a successful organization, that performs well (regardless of profit) would also have a positive impact on how attractive an organization is as an employer. Applying the resource-based theoretical approach (Wernerfelt, 1984, Barney, 1986, Rumelt, 1991, Chadwick and Dabu, 2009), reputation and, therefore, brand can be a source of differentiation for firms, in strategic terms, insofar as they express what the firm really is and represents. Reputation is referred to the image that a firm can communicate of itself to the main stakeholders and in particular (Fombrun, Van Riel, 2004): customers, in order to induce the purchase and encourage them to repeat it; firms, with reference to the proposed to civil society (for example, through social responsibility actions, environmental sustainability attention); investors, because reputation helps to reduce the cost of capital and to attract investments; the media, creating a favourable image; opinion leaders, linked to the financial world, leading financial analysts to suggest and recommend the investments; employees, in order to both attract the best talents and to motivate them to work and remain within the firm (Figure 2).
A positive reputation, able to generate the process of value creation and development, can be a strategic resource, according to VRIO framework, which defines precisely the sources of sustainable competitive advantage in terms of resource and capabilities that are valuable (that can seize external opportunities and/or reduce threats, increasing the revenue-cost spread), rare (either owned nor controlled by a number of firms below that of perfect competition), difficult or costly to duplicate or replace, and used in organizational terms (Barney, 1996, 2006).

The gap between projected reputation and actual organizational dynamics is a matter of great interest because it allows to highlight a weakness of management practices that revolve around the concept of employer branding. The mismatch between projected image and reality, when consciously perceived, becomes an extremely negative factor, primarily because it reduces the capability of retaining and motivating qualified workforces (the so-called talents), and secondly, because it adversely affects the capability to attract new valuable resources.

An interesting study path is carried out by Turban and Greening (1996). They have underlined that when organizations have been rated higher on a full range of socially responsible features (i.e. through community and employee relations, environmental policies, product quality and treatment of minority groups), they tend to be more attractive as a potential employer. Also in these studies’, communication has a fundamental role, aiming at increasing attractiveness as a potential employers.
Cable and Turban (2003) have further highlighted the importance of company reputation in increasing the likelihood of potential applicants for a job in the organization. This study helps to understand why, in the employer branding programmes, carefully planning an extensive campaign in order to increase the chances of potential recruits wanting to apply results necessary. Moreover, the two scholars have identified two key factors that predict positive job seeker reputation perceptions: the degree of familiarity with the organisation and external ratings of the corporate reputation.

In order to analyze the relationship between corporate branding and HRM (Human Resources Management) as well as its evolution, in the chart below four main phases are identified by the intersection of two parameters that are, in fact, the brand role in business strategies and the perceived value of HR (Human Resources) in the branding process (Figure 3).

**Figure 3 - Brand role and HR value in the branding role**

![Diagram showing the relationship between brand role and HR value](image-url)

*Source: our reworking*

The first stage (Stage 1) is due to where the brand is seen as a simple symbol to be associated with products or services provided by the company. This stage is typical of very small or newly established companies, where the HR commitment and involvement in branding development is much reduced.

The second stage (Stage 2) refers to companies which, despite having their own corporate brand and / or institutional logo, prefer to develop and consolidate multi-brand strategies operations (literature talks about the “house of brands”( Rao, Agarwal, Dahlhoff, 2004)).
The third stage (Stage 3) includes all those companies that have decided to leverage their corporate brands in order to support key organizational changes. In these cases, human resources have a more significant role in supporting these processes through, for example, the definition of training and supporting programs, able to facilitate the firm’s development.

Finally, the last stage (Stage 4) involves those firms that have corporate brand as the corporate strategy focal point and as HR cornerstone in the activities of employer branding and employee retention processes, facilitating the identification of corporate values and the development of more specific employer branding activities. Examples of companies that are placed at this stage are Virgin, Sony, HP, Google, etc. However, also smaller firms, which invest in specific skills working in business niches, are at this stage. In this last development phase, firms better understand the employer branding strategic value and are more motivated to take specific actions in this direction.

Employer brand can also be analysed through a set of variables of differentiation. Thus analysis, through the intersection of two (functional and symbolic) dimensions, allows to highlight different types of employer brands and companies (Della Corte, Mangia, 2009), as shown in the following matrix (Figure 4). These concepts, originally arisen in product / brand management, have progressively widespread their application, referring to the corporate brand in its various articulations and expressions, and thus to the employer branding. The implementation of these concepts to the subject of analysis, therefore, leads to the following identification:

1) functional aspects: “material” associations communicated by the company brand (human resources management policies, attributed benefits career plans, payment conditions and incentives plans, specifications and conditions of the working environment);

2) symbolic aspects: “immaterial” associations communicated by the company brand (symbolic characteristics of the employer brand, the relationship between employer brand and corporate brand, with particular reference to the firm’s image and reputation);

3) experiential aspects: “sensorial” and cognitive satisfaction, however, not discussed here.
Figure 4. Typologies of employer branding and firms

The first quadrant identifies those employers able to project outside an attractive image, in spite of the lack of a history of success. Consider, for example, the case of highly innovative companies that have realized advances in market development before competitors and, because of this success, they have a very strong image on the market, even beyond the real working conditions. These companies can be described as “market-oriented”.

The second category, instead, identifies those companies that have managed to build a successful image (projected outside but also shared inside), also as workplace in terms of both working conditions and effective human resource management policies. In this case, there is full alignment between HR management policies, that define the actual practices and organizational dynamics, and image (brand), that is recognized within and outside organizational boundaries. These are the cases of “market and resource-oriented” companies.

The third category, on the other hand, identifies companies that have a very specific situation. They include, for example, firms that have characteristics that meet the functional needs of their (current and potential) employees, but that still fail to communicate their skills in the right ways. Think of companies that even if successful or particularly effective in human resources management are not known, since they are very specialized and more concentrated in internal activities. For these reasons, they are more focused on actions to be taken inside the firm, with reference to the resources, while not yet fully prepared for effective external actions (“resource-oriented” firms).

The last category is that of weak employers. This category identifies those companies that are weak as regards both the contents of applied policies and management practices and the image projected outside. There is, as in second quadrant, an example of alignment between
organizational image and reality but in this case the match is negative (“blind firms”) for both dimensions.

Therefore, from a theoretical point of view, a first concept is that of employer identity which has to be understood as the identity of a firm as employer or, better, as a place of work.

What is important in the definition of employer identity is the consideration of several factors that tend to characterize the work environment in which the current and / or potential employee is or will be added.

The concept of employer identity is different from the best-known corporate identity even if strictly linked, as previously underlined. This identifies a firm as an institutional organization that, through its values, culture and experience, takes a commitment to its stakeholders (customers, suppliers, shareholders, etc..), seeking to gain their trust. In this direction, the definition of a good employer identity can be and in some cases has to be connected to the corporate identity. Therefore, the employer identity can grow and find additional stimulus for development even from corporate identity, in order to become the subject of a more integrated communication and marketing strategy.

This important moment of discovery and / or definition of employer identity should not and cannot simply express itself through the mere creation of a slogan, as often happens, but requires the application of a specific planning model. In fact, it can produce a change of image but, in the long run, this difference between appearance and reality will harm the company. It also represents a fundamental process of continuous investment, according to the logic of a corporate reputation, that reflects the real value of used resources.

4. Empirical research methodology

4.1 The Aerospace Sector

The aerospace industry results the world’s largest manufacturing industry in terms of employees and value of output. Moreover, the industry is characterised by several distinctive features. First of all, the complexity, both in management and in technology. Particularly, the current market needs global coordination and integration capabilities, which go hand in hand with specialization in design, manufacturing and assembly.

In order to summarize, the manufacturing system includes (CARN, 2009):

– prime contractors on a global scale;

Some scholars highlight the existence of firms which are able to maintain a positive reputation also when the sources of this has been destroyed and even if they do not invest in improvement (Klein, Leffler, 1981).
– the system of SMEs, divided into constructors of light and ultra-light aircraft, second-tier suppliers specialized in the production of parts, components or whole operating units and specialized in design and third-tier suppliers, or small-sized companies which can be considered tailor-made firms because they operate on the basis of their customers’ specific designs and specifications.

Figure 5 - The aerospace supply pyramid

Considering the sector, it is necessary evaluate that the whole industry pyramid is supported by a research system consisting of Universities, research centres and different observatories. A fundamental aspect is about the labour aspect. Particularly, the cost of labour can fluctuate a lot considering different markets: in fact, it on average results three to five times lower in emerging countries (like, China, India and Russia), which result attractive for their labour-intensive manpower (McKinsey, 2007). On the other hand, these labour basins are not able yet to train highly specialized talents to be placed on the top of organizations. From this point of view, in RBT perspective, firms in areas like USA and EU have an advantageous position on the market because of unique historical conditions, of social complexity and of possession of licenses, patents and registered trademarks.

4.2 The Italian Aeronautical Metadistrict

Italy has a long tradition of excellence in the aerospace sector, so that this is the fourth largest in Europe and the seventh largest sector in the world and maintains the highest proportion of manufacturing jobs among the G7 economies. The industry generates annual revenues equal
to EUR 8.7 billion and employees 36,300 people, of whom approximately 10% are employed in the space sector, with lower labour costs, compared to other European countries such as UK, Netherlands, and France. With an estimated investment in R&D of EUR 1.3 billion the aerospace sector is a cornerstone for innovation and modernisation in Italian economy (CIA World Factbook, 2009). Particularly, the sector is characterized by a vertically-integrated supply chain made of hundreds of small to medium-sized suppliers, strong collaboration with a university network that includes eight universities that offer courses in aerospace and aviation engineering, as well as national scientific centres that conduct basic and applied research.

In this context, the empirical part of the present research aims at verifying the importance of employer branding strategies in high – knowledge-based Italian firms operating in the aerospace sector.

The adopted sampling methodology starts from the need of singling out the types of units of analysis (such as companies) as well as the number of units (how many companies), talking into account the structure and the dimension of the whole population (N). Respecting this assumption, was our sample selection developed three levels. The first and second level have enabled to identify a list of possible business units considering the nature and the objective of the research. The third level of analysis has further skimmed the aggregate in relation to the concrete feasibility of the research. So, the sample is selected on the basis of two aspects: their business activity and some specific qualitative variables. According to the first, the analysis focuses tightly on aerospace companies, thus excluding suppliers, such as firms that are specialized in components production. As regards the second aspect, the number of observations is defined by a sum of factors and precisely: company’s attractiveness (both on the final market and on the labour market) and membership of the Italian Aeronautical Metadistrict and of AIAD (Federation of Italian Companies for Aerospace, Defense and Security). Therefore, companies has been selected according to the criterion of rational choice sampling (Fattore, 2002; Corbetta 2003). Using this method, the sample units have been identified based on specific criteria. In this context, in fact, once identified the large number of companies in the aerospace industry located in the Italian regions (Campania, Lombardia, Piemonte and Puglia) in the Metadistrict (N = 562)\(^3\), a first selection has been

\(^3\) The population, thus constituted, includes individual companies specialized in particular aspects of operations including aerospace and specialized units for the task of stamping and forming sheet metal parts, heat treatment of aluminum and steel, composite materials inspection & quality not destructive control tests, assemblies and installations, components and electronic systems and control, control the hardness and electrical conductivity, surface treatment and non-destructive testing, manufacture and installation of assemblies and subassemblies of
made considering all Metadistrict’s firms which are listed in the Federation of Italian Companies for Aerospace, Defense and Security. So, this first step of selection enables to focus on business excellence, given the business that offer technologically advanced and highly differentiated firms. In fact, the interviewed firms represent the market universe of big organizations of aeronautical sector and each of them is representative of a network of suppliers. The units, making up the population of on field investigations, have been identified through our data from various bodies and institutions already active in the investigations about aerospace. So surveyed sample almost represents the most representative firms.

Particularly, these groups have determined the so-called “Aeronautical Metadistrict”, a protocol undertaken by Campania, Puglia, Piemonte and Lombardia Regions, in order to:

1) develop the most appropriate coordination forms for industrial development, scientific research and technological innovation aimed at the aerospace sector in their regions;

2) promote joint activities in aerospace development;

3) coordinate the presence of their respective aerospace industries in international events;

4) encourage the relevant ministries, particularly the Ministry of Economic Development and the Ministry for University and Research, in order to create a pole able to rejuvenate Italian aerospace industry. Through this first level of selection, we have identified the firms in Appendix 1.

Subsequently, a second level of selection took to identify the leading firms whose activities are closely linked to the assembly and sale of finished products (manufacture of assemblies) as representative each of a set of suppliers and sub-suppliers, interviewed through the filter of the head company (more precisely, 67 units), in the areas of the so called Metadistrict (Table 1).

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4 For a discussion of the Italian Federation for Aerospace Companies, please visit http://www.aiad.it/

5 FWC Sector Competitiveness Studies - Competitiveness of the EU Aerospace Industry with focus on: Aeronautics Industry Within the Framework Contract of Sectoral Competitiveness Studies, December 2009.

6 The cooperation between these Regions is determined by the fact the their industrial aerospace, in recent years, have developed a high degree of compatibility and inter-relationships, in terms of technological skills and production, that form the basis and preconditions for future developments.
Table 1
The Sample

<table>
<thead>
<tr>
<th>NAME OF BUSINESS</th>
<th>FIELD OF MEMBERSHIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. AGUSTAWESTLAND</td>
<td>Business leader in technologically advanced solutions and competitive in the global helicopter market.</td>
</tr>
<tr>
<td>2. ALENIA AERONAUTICA</td>
<td>World market leader in the design, construction, integration of civilian and defense aircraft.</td>
</tr>
<tr>
<td>3. AVIO</td>
<td>One of the biggest players in the aerospace propulsion and for the realization of civil, military and aeroderivate aero-engines.</td>
</tr>
<tr>
<td>4. CIRA CENTRO ITALIANO RICERCHE AEROSPAZIALI</td>
<td>Italian Aerospace Research Centre with a Public-Private matrix (in the consortium: firms, State, the Italian Space Agency and the National Research Council), specialized in studies and research on aerospace</td>
</tr>
<tr>
<td>5. ELSAG DATAMAT</td>
<td>Business excellence in the design and production of systems, services and solutions for automation, security, transport, space, information technology</td>
</tr>
<tr>
<td>6. FINMECCANICA</td>
<td>Finmeccanica is the first Italian industrial group in the high technology sector and among the global top ten player in aerospace, defense and security. The Finmeccanica Group is firmly focused on three strategic pillars: Helicopters, Defence Electronics and Security Air</td>
</tr>
<tr>
<td>7. GALILEO AVIONICA</td>
<td>It’s the leading Italian company in the design, development and production of avionics and electro-optics systems, space equipment for platform and satellites.</td>
</tr>
<tr>
<td>8. PIAGGIO AERO INDUSTRIES</td>
<td>Aviation industry leader in the international market, active in both complete design and maintenance of aircraft and construction of aircraft engines and structural components</td>
</tr>
<tr>
<td>9. SELEX SISTEMI INTEGRATI</td>
<td>Company that designs, manufactures and markets systems for Homeland Protection Department, and radar systems for air defense, battlefield management, naval defense, air traffic management and airport, coastal and maritime surveillance</td>
</tr>
<tr>
<td>10. TELESPAZIO</td>
<td>Joint venture between Finmeccanica (67%) and Thales, is one of the world’s leading operators in satellite management services, Earth observation and satellite navigation, as well as in the field of integrated communications and scientific programmes.</td>
</tr>
<tr>
<td>11. THALES ALENIA SPACE ITALIA</td>
<td>European leader in satellite systems and the main character in orbital infrastructures. Thales Alenia Space is a joint venture between Thales (67%) and Finmeccanica (33%).</td>
</tr>
</tbody>
</table>

Networks’ representative were selected according to a series a parameters and precisely:

- accessibility to different sources of data and business information;
- availability and cooperation of managers and business representatives in order to cooperate to the study.

Essentially, the first aspect concerns the availability of data necessary to carry out single and comparative analysis of the various networks. From this point of view, in the selection, we analysed those cases that ensure transparency and good complete business communication and, therefore, show a rather homogeneous degree of reliability of the information to find.

The second aspect, however, conducted to a rather natural selection because, despite the attempt to establish a direct interpersonal contact with almost all groups of agencies, only a portion of referents were willing to participate to the research project.
Sequentially to the sample as depicted below, a questionnaire has been drawn up and set on an on-line loaded SurveyMonkey platform. Particularly, the questionnaire is structured in four sections. The first part aims at assessing the current situation of HRM in a marketing perspective. The second part’s focus is mainly on employer branding in its connection with corporate brand and personnel recruitment policies. The third part aims at analyzing the work environment also as a generator of job satisfaction and retention. At the end, the last part is dedicated to the strategic aspect of employer branding, intended as attractor of talents and driver of corporate values communication, targeted to the labour market. Thus empirical analysis regarded a whole range of aspects of whom the most relevant are analyzed in the following paragraph.

4.3 Main results

The analysis of the collected data was based on both monovariate and bivariate methods. The first part of the analysis (monovariate) is descriptive. The variables are involved individually without relating to each other. In this way, the frequency distributions are simply detailed in order to highlight how each variable is distributed among the selected units. In the second part of the data analysis, a study of the relationship between variables has been deepened, in order to validate the assumptions made in the research hypotheses.

The interviewed industry represents an excellence in the employer branding perspective. In fact, as shown the following charts, the interviews have demonstrated the strong connection between corporate branding and employer branding. In fact they often overlap in a unique concept in order to empower the firm’s identity. Moreover, the brand has a fundamental role for the interviewed firms. For the 40% of the sample, it is indissolubly linked to the product or service to which it is associated. This points out evidence an important consideration: the brand is a strategic construction for these firms, able to make them recognizable on the market. This assumption is emphasized by the other role given to brand (60% of interviews): the focal point of business strategy.
The 60% of interviewed Italian aerospace firms has established a strong linkage between the brand for customers and that for employees. Often the two aspects are joined but declined in different ways. Particularly, the values and the concepts at the basis of brand construction are emphasized differently. In fact, the employer brand has more “responsibility” aspects, such as the care for social aspects and workforce and environmental safeguard. On the other hand, the aspects of quality and reputation are particularly clear in corporate brand.

The importance of the brand is also analyzed through the results. In fact, all the interviews have made clear the existence of a results’ analysis about the brand. Moreover, the 80% of the firms considers the attraction power of the brand able to be recognized on the market, evaluating the effort in terms of strategic planning and implementation.

As stated before, the conveyed message underlying the brand concept points to creativity for continuous innovation linked to product quality. The theme of responsibility urges also in the brand concept, so that it results one of the most ideally considered factors in the brand building process.
This theoretical reconstruction of brand has different aims, with special references to labour market, in order to attract talents as a key resource for attractive firm. Moreover, the issue of human resource is strictly connected with the brand building. In fact, for the 60% of the interviewed firms, employees have an important role in brand creation, contributing to value creation. This role becomes fundamental for the 40% of the firms. Strategic planning and its implementation appear successful: in fact, all the firms of the sample consider their brand well-known on the market both for customers and employees. Another connected aspect is that of reputation. This latter seems to be a significant issue for the brand building and both for the constructed (improved continuously by all the sample) and perceived image, which the firm reflects on the market. The improvement of firm’s image is supported by specific communication channels, differentiating those targeted to customers from those targeted to employees. In a total communication overview, the communication strategy is that of consistency between all the channels and targets, putting the message at the basis of the firm’s vision and mission.

In this analysis, considering that the 60% of the firms have a strategy for employees, employer branding represents one of the most important aspects of that strategy.
Figure 7 - What do you think are the most important goals of employer branding?

At a first glance, the lack of answers with reference to employees’ retention can appear strange; it is instead considered as very important, even if a consequence of other factors. In fact, the effect of internal marketing strategies is especially in the growth of employees’ retention for employer. Specifically, the connection between firm and workforce gets stronger through the alignment between personal and firm values, in order to reach two convergent objectives: satisfaction (of different style) and sustainable competitive advantage.

Figure 8 – Firm’s Reflection of Employer branding
In order to analyse our results more deeply, in the empirical phase statistical correlation has been the selected method in order to verify the monovariate analysis’s results and to better answer our research’s questions. The correlation analysis shows that there are not relevant correlation results but anyway reveals the existence of some kind of relations.

Particularly, the research has focused on those variables that are significant in studying both the relation between corporate brand and employer branding and between those two and firm’s overall ability of attracting talents.

As regards the first aspect (correlation between corporate brand and employer branding), the most significant variables that show a relation are: continuous innovation (that resulted statistically relevant with a correlation coefficient equal to about 0.47) and the process of employees’ evaluation and valorization within the organization (0.44). On the contrary, more ethical factors like social responsibility do not show any correlation, since they are seen as more connected to employer branding rather than to corporate brand.

With reference to the second aspect, we studied the relation between brand’s capacity of attracting talents and its role in firm’s strategies. From this point of view, it represents the focus of the strategy both for clients and human resources (0.65). Besides, the vision of brand’s attraction capacity and the main aims of employer branding reveal a relation with the specific purpose of attracting talents (again 0.65). Moreover, those firms that believe in the value of HR in brand building are engaged in strategy and marketing plans for employees (0.75) and the most involved ones have a specific employer branding office (1).

Another fundamental aspect is the communication plan. In fact, in the analysis of the relationship between employer branding and corporate brand and the aims of employee-oriented communication, connected variable is referred to the possibility of capturing the

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7 In fact, correlation is defined as a relationship between two random variables such that each value of the first variable can be a regular value of the second. The relationship can be of cause and effect but also of a simply tendency to vary in terms of another. Correlation is computed into what is known as the correlation coefficient, which ranges between -1 and +1. Perfect positive correlation (a correlation co-efficient of +1) implies that as one security moves, either up or down, the other security will move in lockstep, in the same direction. Alternatively, perfect negative correlation means that if one security moves in either direction the security that is perfectly negatively correlated will move by an equal amount in the opposite direction. If the correlation is 0, the movements of the securities are said to have no correlation; they are completely random. The correlation coefficients derive by the indices of correlation taking into account the sizes of the deviations from the mean. In particular, the correlation coefficient of Bravais-Pearson is calculated as the ratio between the covariance of two variables and the product of their standard deviations.

\[-1 \leq \rho_{xy} = \frac{\sigma_{xy}}{\sigma_x \sigma_y} = \frac{\sum_{i=1}^{n} (x_i - \mu_x)(y_i - \mu_y)}{\sqrt{\sum_{i=1}^{n} (x_i - \mu_x)^2} \sqrt{\sum_{i=1}^{n} (y_i - \mu_y)^2}} \leq 1\]

Results of the indices and correlation coefficients should always be considered approximately because of the arbitrariness with which the elements selected as those that exert their influence on the phenomena, especially in multiple correlations.

25
employees’ creativity in order to be reflected in the organization (0.65). On the other hand, just giving an open workplace shows no correlation at all (-0.15), since it is not considered as a specific and targeted purpose.

The employee-oriented communication is strongly linked to the number of received curricula vitae. These firms receive an average of 700 CVs yearly, but the sample does not result homogeneous. For this reason, we have analysed the sample through variance, deviation and coefficient of variation. Particularly, the variance and the deviation, used to measure how spread out the distribution is, are of respectively 940,000 and 969,563, with a coefficient of variation, used to normalise measure of dispersion of the distribution, of 138.50. These data demonstrate the extreme variability of the sample. Moreover, in order to understand if the employee-oriented communication is well understood by aspirants, we have applied the student’s t-test on received and fit CVs, in order to assess whether the means of the two groups are statistically different from each other and the t-value of 0.032 has resulted statistically relevant. These data demonstrate the appeal of the interviewed firms as good workplaces but also that an improvement of a more targeted workforce communication results necessary in order to better inform potential targets and therefore to receive CVs of aspirants that better suit the firm’s needs.

Besides, from our analysis of Italian aerospace sector, the main companies can be positioned at the fourth stage of their employer handing process. In fact, considering the main factors referred to three sample, the analysis through a Likert scale brought to both high symbolic and high instrumental factors, positioning the interviewed firms in the “Market and resourced oriented” quadrant. This results clear because of the primarily importance given to Human Resources so that the firm has planned a complete strategy in order to attract and hold the current and potential workforces trying to combine marketing efforts with appropriate HRM techniques.
5. Conclusions and further research
The so far conducted analysis has brought to interesting conclusions. Empirical analysis confirmed the theoretical interdisciplinary approach, according to which marketing strategies and policies are fundamental in human resources’ recruiting and management. This marketing efforts, besides, are strictly connected with the firm’s overall strategies and marketing, with a coherence that makes them efficacious. It can be stated that human resources’ selection and retention require specific marketing capabilities within the firms, with a very clear orientation both in strategic and marketing activities. More precisely, despite a clear awareness of the importance of clear corporate brand strategies and employer brand strategies, they do not always appear connected. Therefore, some interesting hints for decision makers show that this approach requires a more scientific and coordinated logic and can’t absolutely be managed at random.

Aerospace sector, however, is a quite innovative knowledge-based industry where firms’ selection is very strict: they are therefore a specific case of well developed industry. It would be however interesting to compare these results with other empirical analyses conducted on other industries (maybe less homogeneous), in order to see if some issues are really generalizable.

It is also useful to complete the analysis with a more detailed study of its connections with human resource management. This, however, was not the topic of the present paper, which mainly regards marketing aspects. More specifically, we refer to the phase of recruitment and firms’ marketing process in attracting talents. The successive
research steps will deepen, in particular, employer branding capacities in gaining sustainable competitive advantage and the main strategic management choices for the most valuable human resources’ retention.

Besides, our paper concentrates on talents at a managerial level: in organizations, however, through RBT, it can come out that the sources of competitive advantage can be at the lower levels of the structure.

Of course, employer branding is conceived and practiced by the most active firms, whose strategy and marketing efforts are widespread.

To conclude, the paper has important theoretical and empirical implications. As regards theory, it is an attempt of systematization of interdisciplinary contributions on the issue and can represent an advancement in the studies of marketing connected with other disciplines. In managerial terms, it suggests hints and tools to decision makers in the process of selecting and retaining talents.
## Appendix 1 - Firms located in the Italian Aeronautical Metadistrict and members of Federation of Italian Companies for Aerospace, Defense and Security

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<tr>
<th>Campania</th>
<th>Lombardia</th>
<th>Piemonte</th>
<th>Puglia</th>
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<tr>
<td>2. ALENIA AERONAUTICA</td>
<td>2. AGUSTAWEASTLAND</td>
<td>2. ALENIA</td>
<td>2. ALENIA AERONAUTICA</td>
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<tr>
<td>3. AVIO</td>
<td>3. ALENIA AERMACCHI</td>
<td>3. ALENIA SIA</td>
<td>3. ALENIA AERONAUTICA</td>
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<tr>
<td>4. AXITUDE</td>
<td>4. ASE</td>
<td>4. AVIO</td>
<td>4. AVIO</td>
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<tr>
<td>5. BONETTI AIRCRAFT SUPPORTS</td>
<td>5. BERETTA (FABBRICA D ARMI PIETRO BERETTA)</td>
<td>5. ELE.SIA. - ELETTRONICA E SISTEMI PER AUTOMAZIONE</td>
<td>5. AVIOMAN</td>
</tr>
<tr>
<td>7. C.S.M. CENTRO SVILUPPO MATERIALI</td>
<td>7. C.S.M. CENTRO SVILUPPO MATERIALI</td>
<td>7. ENGINEERING - INGEGNERIA INFORMATICA</td>
<td>7. ELSAG DATAMAT</td>
</tr>
<tr>
<td>8. CIRA CENTRO ITALIANO RICERCHE AEROSPAZIALI</td>
<td>8. CALZONI</td>
<td>8. FLEXIDER</td>
<td>8. ENGINEERING - INGEGNERIA INFORMATICA</td>
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<td>10. ENGINEERING - INGEGNERIA INFORMATICA</td>
<td>10. DEMA DESIGN MANUFACTURING</td>
<td>10. MECAER MECCANICA AERONAUTICA</td>
<td>10. GSE GROUND SUPPORT EQUIPMENT</td>
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<td>15. ING. NADDEO &amp; C. IMPIANTI INDUSTRIALI</td>
<td>15. FEDEGARI AUTOCLAVI</td>
<td>15. S.I.ME. SOCIETÀ INDUSTRIA MECCANICA</td>
<td>15. SALVER</td>
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<tr>
<td>17. MAGNAGHI AERONAUTICA</td>
<td>17. FINECCANICA</td>
<td>17. SOFITER</td>
<td>17. TXT E-SOLUTIONS</td>
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<td>18. MBDA ITALIA</td>
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<td>18. T.C.S. GROUP</td>
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<td>19. THALES ALENIA SPACE ITALIA</td>
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<td>20. TXT E-SOLUTIONS</td>
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<td>36. SELT</td>
<td>20. TXT E-SOLUTIONS</td>
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<td>38. SNAP-ON TOOLS ITALIA</td>
<td>20. TXT E-SOLUTIONS</td>
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<td>39. TELESPAZIO</td>
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<td>40. THALES ALENIA SPACE ITALIA</td>
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## References


