Employer Brand for Millennials on Indonesia's State-Owned Enterprises: Study at Mandiri Bank

Wita Adelina Noer Putri and Firman Kurniawan Sujono
Faculty of Social and political science, University of Indonesia, Depok, Indonesia

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Abstract: Based on the research conducted by the Badan Pusat Statistik (BPS) or Central Statistics Agency, the number of millennial generations will increase rapidly. In a short time, this generation will dominate the number of employees in Indonesia. The millennial generation has a number of character that are quite different compare to the previous generation, namely generation X. There is a survey conducted by Dale Carnegie to millennial in Indonesia, and the results of that research show that only 25 percent of the millennial employees are fully engaged with the companies they work for. This makes the employer branding for millenials is important to be applied. In the middle of the millennial generation characters who are considered to be less loyal, one of the State-Owned Enterprises in Indonesia namely Mandiri Bank managed to receive an award as a company with the best brand employer. Companies that are members of State-Owned Enterprises have stigmas that are stiff and old, but Mandiri Bank has won this award with its employees who are more than 60% of millennials. This article will discuss the evaluation of the application of employer branding communication strategies implemented by Mandiri Bank, especially for the millennial generation. This research is also expected to be a reference for companies in Indonesia, especially State-Owned Enterprises (BUMN) to be able to effectively implement communication strategies to implement employer branding to millennials because these people will soon dominate the number of productive age.

1 BACKGROUND

Millenials are currently become the spotlight. Based on the research conducted by the Badan Pusat Statistik (BPS) or Central Statistics Agency, in 2018 the population of Indonesia is at 265 million and 23.95% or one-fifth of them are millennials. It cannot be denied that labor is an important thing in economic growth in Indonesia, and in the blink of an eye, the millenial generation will dominate the number of employees in Indonesia.

There are various definitions of the millennial generation. The Pew Research Center classifies the millennial generation as a generation born above 1980 or in the age range of 18-29 years (Pew Research Center, 2010). Meanwhile, the Badan Pusat Statistik or Central Statistics Agency in Indonesia simply classifies millennial generations as those in the age range of 20-34 years in 2018, or those who born in 1984-1998 (bps.go.id). Millennials are also defined as those who born in 1977-1997. This group is the first generation to be raised with binary numbers (bits), which is the basis of digital technology and the internet (Tapscott, 2009). This division is usually based on the year of birth. The range of years is defined differently according to a number of experts, but not too far.

This millennial generation has a number of characters that are quite different compared to the previous generation, namely generation X. They are often referred to as a generation that is less loyal to the company. In Indonesia, there is a survey conducted by Dale Carnegie in 2016 regarding the attachment of millennial employees to a company. This survey was conducted in six major cities in Indonesia with approximately 900 millennial workers. The results of that research show that only 25 percent of the millennial employees are fully engaged with the companies they work for (Dale Carnegie, 2016). Nine percent of millennial employees refuse to be involved or disengaged with the company. Even greater, there is 66 percent, millennial labors are only partially involved or partially engaged.

The engaged employees tend to be loyal and willing to survive for a long period of time, contribute...
to company profits, and work productively and with quality. Meanwhile, those who are partially engaged concentrate more on assignment (as long as it is finished) - not the quality of results, reluctant to accept input, and salary-oriented. The disengaged category can even spread negative influences, show distrust and hostility, willing to sabotage work and even company progress. (Dale Carnegie, 2016).

Some research results also show that the trend of millennial workers in Indonesia to do their own business or entrepreneurship or freelance tends to increase. This happens especially on millennials in urban areas. Based on data taken from BPS, it was noted that Indonesians who were interested in working in the informal sector (self-employed and freelance) at the age of 20-34 years continued to increase since 2014. In 2016, the number of millennial workers working in the informal sector increased 16.26 percent since 2014. This is inseparable from millennial characters, including in Indonesia, who like flexibility. (Tirto.id, 2017).

Based on the research mentioned above, it is the time for companies in the formal sector to do something. Especially in the near future, the millennial generation will dominate the number of workers in Indonesia. One way that can be done to keep attracting prospective employees and retaining the existing employees in a company is the employer brand.

The concept of the employer brand itself was first introduced by Simon Barrow and Tim Ambler in 1996. They define the employer brand as a form of marketing of the company's core values and company excellence as part of an effort to advance the company in the fields of marketing and human resources. (Ambler & Barrow, 1996). Employer brands themselves are also considered to be able to provide or show an employer's reputation, in this case the company, and the values brought by its employees. (Mosley, 2015). Employer brands are considered important because they relate to the image of an organization as a pleasant workplace in the minds of employees and key stakeholders from external parties such as customers and prospective employees. Through the employer brand, it can be explained how nice it is to work in the organization and can be used to convince potential talents to work in a company, reduce the level of entry and exit for internal employees, increase motivation, and have ownership. (Minchington, 2016).

In the middle of millennial characters that are quite unique and known to be less loyal, different things happen to one of the banks that are part of a State-Owned Enterprise (BUMN), PT Bank Mandiri (Persero). Mandiri Bank was successfully ranked 11th and became the best in Indonesia in the Forbes version of "The World Best Employers 2018". The assessment carried out in this event was an assessment carried out in the work environment and employee comfort. This is of course interesting because 68% or most of Mandiri Bank's employees are millennial generations. (liputan6.com, 2018).

In addition to its internal achievements or from its work environment, Mandiri Bank also has a fairly good reputation among millennials on the external side. This can be proven by almost half or 43 percent of Mandiri Bank customers in 2018 are millennials. (kompas.com, 2018). In addition, in the middle of a stretch of start-up companies that are quite fast and also targeting millennials as its employees, Mandiri Bank still occupies the second position as the most attractive company for millennial job seekers in 2016. (swa.co.id, 2016). This is quite interesting because Mandiri Bank can be said not to offer flexibility in working hours, as what the Indonesian millennials want in some researches. In addition, Mandiri Bank is also part of a BUMN that is still considered to have a rigid order that is applied in the world of work.

Based on these matters, it is interesting to know the planning process of employer branding communication programs for millennials at Mandiri Bank is carried out. In addition, this article also evaluates the process of the implementation of employer branding communication programs for millennials at Mandiri Bank. This research is also expected to be a reference for companies in Indonesia, especially State-Owned Enterprises (BUMN) to be able to effectively implement communication strategies to implement employer branding to millennials because these people will soon dominate the number of productive age.

2 LITERATURE REVIEW

2.1 Employer Brand

Employer brand can be defined as a targeted strategy and takes place over a long period of time to organize the employees' awareness and perception, prospective employees and stake holders of a particular company (Sullivan in Backhaus and Tikoo, 2004). Employer brand can also be defined as an effort to make the company's identity as a benchmark. This includes the values of a related company, system, regulation and company's performance that is packaged to attract, motivate, as well as retain both
existing employees and potential prospective employees (Dell, D. & Ainspan, 2001).

The viewpoint of measurement concerning the employer brand can facilitate every company to assess if employer branding of their companies run effectively. There are several important components that must be considered to create a successful employer brand, as follows:

a. The culture to keep sharing knowledge and conducting a development to the employees permanently.

b. The public recognition that the company has a good reputation.

c. The employees become a part of employer brand process, this can be done by making the employees as ambassadors.

d. The presence of a company to the persons.

e. Becoming a benchmark organization.

f. The accurate communication with the prospective employees to increase awareness.

g. Brand evaluation (Sullivan, 2004).

Employer brand that is implemented effectively and involves personal commitment can provide a significant contribution to the successful of a company (Mosley S. B., 2005).

2.2 Social Identity Theories

Employer brand can be said to be closely related to the sense of unity and belonging owned by both the employees who have joined with a company and the employees who potentially join a company. This can be said to be related to what social identity theories say.

Social identity theory states that a human has natural needs to connect oneself with social groups in which these social groups have similar social identities (Edwards, 2010).

Ashfort and Mael say that this theory can be related to things found in an organization. They say that an organization can be seen as a social group. The identification of this group happens when someone includes the organization identity as a part of their own identities. This theory then is called as Social Identity Approach to Organizational Identification (SIA) theory (Ashfort, 1989).

In the principles of SIA, there are value differences that will be obtained by the employees who have joined and the prospective employees through employer branding. With a good employer brand, the employees who have joined with related companies will show that their companies are "different from" or "better than" other companies. They will spread the attributes and values of the companies that are in accordance with the values they believe. Therefore, the companies' attributes and values being spread by the employees are different (Tajfel and Turner, 1979).

If a company has a good reputation and an image wanted by both the employees and potential prospective employees to join, an individual has a greater possibility to be related and identified their self with a company or related organization. They will tend to choose to join with an organization that can improve their self-images being promised by joining the membership. The employees will be happy and proud to enjoy the reputation of a company where they work (Backhaus & Tikoo, 2004).

2.3 Millennial Generation in the Work Environment

There are various definitions of millennial generation. Some of them say that the generation is the generation who was born in the year range of 1980-2000 (Pew Research Center, 2010). Indonesian Central Bureau of Statistics also groups this generation as they who were born in 1984-1998 (Tirto.id, 2018). The year range being defined is different but these differences is not so far or significant.

A number of stereotypes are closed to the characters of the millennial generation, some of them are about their behavior in the work world. They are closely related to the claim as a selfish, disloyal generation as well as do not want to do many contributions in the company (Myers, 2010). This is reasonable based on the survey that only 25% of millennial who are loyal to their companies (Dale Carnegie, 2016).

There several differences of values owned by a millennial with the previous generation when they are in the workforce. One of them is that the millennial wants more flexible conditions and hours of work (this includes the possibility of long-distance work or flexible hour of work, for instance not starting from the morning) (Simmons, 2018).

Another empirical study also states that baby boomers generation tends to be more ambitious and hard-working, this is different from the millennial. Millennial is often to be more 'lazy' than the previous generation, but the actual fact is not as it is. Millennial is only highly uphold work-life balance, so that the work flexibility in the workforce is very desirable (Martin, 2005). Millennial is also the generation that can be said as tech-savvy, they really support and like the workplaces which also follow the technological development (Gorman & Nelson, 2004).
In running a work, millennial generation does not only see and consider financial factor. More than that, the millennial generation really concern and see the values embraced by their companies. Overall, millennial also claims that the leaders or managements with a sense of care are more important than any qualities. By showing a sense of care and offering progress opportunities, the organizations can also maintain their millennials. The opportunities to improve their selves becomes an important thing for the millennial, therefore the training and development sessions can be highly considered motivation (Smith, 2015).

3 RESEARCH OBJECTIVES AND DATA COLLECTION METHODS

This research is constructivist paradigm research with qualitative approach, descriptive nature and used evaluation research as the research strategy. Qualitative research can offer detail and rich descriptions and can capture version variations between events. This also applies to the study of evaluation in the qualitative approach. According to Patton, evaluation study can give an important description about the programs as a whole. These programs are: detail description of the program implementation, an analysis of the program implementation process, the differences between types of participants and participations, as well as program changes including the participants and weaknesses analysis and strengths of the program (Patton, 2002).

The data collection method used in this research was by collecting data from the interview with Corporate Communications of Mandiri Bank, Kasyfil Farits. There are also secondary data from the related corporations, and literature review to see how the communication strategy of employer brand implementation in Mandiri Bank can run well effectively.

The analysis result of this research gave a description of how employer brand strategy of Mandiri Bank for the millennial conducted so that it can be used as a reference for other parties, especially State-Owned Enterprises (BUMN) which have a stiff stigma.

4 FINDINGS

Based on the explanations from Corporate Communications of Mandiri Bank, Kasyfil Farits, the programs specifically aimed to the millennial began with a decree issued by the Ministry of BUMN and appointed CEO of Mandiri Bank, Kartika Wiroatmodjo as project leader. This project was also called as “Spirit of Millennial”. In this program, the Ministry of BUMN expects a change of the image of BUMN that is known as stiff to be a pleasant and flexible company. This was done to make the young workers wanted to join State-Owned Enterprise. Being appointed as project leader, then he implemented several programs which were considered close by millennial, especially to Mandiri Bank, either internally or externally. Some of the programs credible to Mandiri Bank to reach the millenial were as follows:

4.1 Special Program for Millennial

4.1.1 Internal

- Mandiri Internal Buzzer

"Since the beginning of 2018, Mandiri Bank has created an Internal Buzzer program. As it was created by realizing that 60% of Mandiri Bank employees were millennials and the effect of social media to these people was very high. Therefore, there were millennials chosen or submitted by each division of Mandiri Bank to join Buzzer Mandiri. It usually included the ones whose followers on their social media high," said Kasyfil.

Internal Buzzer itself was in charge of 'covering' the things which they found interesting in Mandiri Bank on their private social media, especially Instagram. However, millennials who joined this program did not have coercion in raising this coverage on their private social media.

According to Kasyfil, Internal Buzzer Millennium has 1.200 people coordinated to several Whatsapp groups. On each group, there were also the teams of Corporate Communications and external consultant. The external consultant who joined the group was on duty to share the interesting news about Mandiri and changed it first with interesting form to be shown on Instagram.

Kasyfil pointed out that Mandiri Bank itself provided the training on the use of social media to all Mandiri Bank employees in Indonesia through the roadshow conducted regularly. "More people gave the information of Mandiri Bank on their social media..."
voluntarily, more communities or circles would be bound to Mandiri Bank.”

- **Re-arrangement of Mandiri Bank Jingle**
  There were some changes on the jingle done by Mandiri Bank in 2018. Previously, Mandiri jingle was made in magnificent and orchestra nuance and arranged by Addie MS. Meanwhile on the latest jingle, Mandiri Bank cooperated with J-Flow and RnB music.

- **Millennial Company Profile**
  Besides the formal form, company profile which was launched on the 20th Anniversary of Mandiri Bank, non-formal form was also made at the same time. This corporate material was made in the form of video following James Corden’s Carpool Karaoke and adapted as well by “Indonesia millennial” Boy William on his YouTube channel entitled #NebengBoy.

  On this vide, the CEO of Mandiri Bank, Kartika Wirjoatmodjo was interviewed about the performance of Mandiri Bank while she was going around by car with #NebengBoy host, Boy William.

- **Borderless Working Space**
  Gradually since 2017, the Head Office of Mandiri Bank located in Plaza Mandiri, Gatot Subroto, Central Jakarta was changed in such way to get a millennial friendly impression. Working room was arranged without any partitions along with colorful furniture. There was also a corner on each side which was used as a playroom. On this corner, musical instrument, playstation, as well as coffee maker, were provided to make the employees comfortable.

4.1.2 **External**

- **Millennial Celebrity for Endorsement**
  Currently, on several sale activities of Mandiri Bank, it did not only have the ordinary artists, but the ones who were familiar that millennial liked. "Based on several considerations, we had Jonathan Christy as the brand ambassador of Mandiri campaigns externally. One of them which is being carried out is KPR Millennial," said Kasyfil. The considerations made by Mandiri in having Jonathan Christy was that he was an active young and talented figure as he was suitable as a role model for the millennials.

- **Social Media**
  As mentioned by Kasyfil, several things to approach the millennials were also done through social media carried out by Mandiri. "We had flat-lay photos, covering the latest gadget as well, we needed to give the impression that the product and company were going along with the technology. There would be Tech-Savvy we got by doing it on our social media.” Said Kasyfil.

- **Mandiri Young Entrepreneur**
  Mandiri Bank created an entrepreneur competition for the millennials. Over 800 participants from 30 universities in Jakarta decided to participate on this event.

- **Sponsorship**
  Mandiri Bank also participated on the millennials events. They were Garuda Travel Fair, the biggest travel festival in Indonesia and Jakarta City Marathon or marathon event in Jakarta. Another event was Jakarta Coffee Week, in which it was a meeting of various segments of the coffee industry from different backgrounds. On this festival, Mandiri opened a sale stand as well through cashless as the payment method (using Mandiri e-money).

4.2 **Evaluation**

Once or more in a year, Corporate Communications of Mandiri Bank were in collaboration with Human Capital division which also did the evaluation to what extent the corporate value of Mandiri Bank was accepted. Since 2018, the focus was on the millennial segment, the campaign evaluation and corporate value #SpiritOfMillenial was also done gradually, either internally or externally. It was considered as a reference of an activity program which will be done in the future.

5 **DISCUSSION**

Mandiri Bank is a bank established on October 2, 1998, and is currently 20 years old. It is one of the banks whose existence is quite senior in Indonesia, Mandiri Bank certainly needed some adjustments in adapting to any changes from time to time. This time, the millennial generation will dominate the active workforce. Hence, changing the image of the company is required by Mandiri Bank by implementing several strategies of employer brand to be able to adjust to the millennial share. This thing was done to make the millennial employees tied to the company more internally, and millennials that are outside of Mandiri Bank would consider that Mandiri Bank was a pleasant place to work.
Mandiri Bank's business was not in vain as it ranked on the top 20 companies with the best brand in the world, in which most of its employees were millennial. It showed that public recognized Bank Mandiri as a Bank which had good reputation since the assessment was carried out both by company employees and other company employees. There were several factors that made an employer brand successful; according to Sullivan, one of them is public recognition in which a company has good reputation. (Sullivan, 2004). This achievement proved that there was suitability of the values applied by Mandiri Bank with the millennial share.

Besides, to improve a good employer brand, there also needed to spread communication that the company had a culture to give development and knowledge continually. (Sullivan J.i., 2004). This was also what Mandiri Bank showed to their external share. The company conducted an event entitled Mandiri Bank Entrepreneurship as the actualization of their consistency to develop the potential of young entrepreneurship around the millennial. This can be seen to give the effect of good employer brand because, according to millennial, the factor of development and appropriateness of a company is a considerable motivation. (Smith, 2015)

Based on one of the factors mentioned by Sullivan (2004), other factors to keep the success of employer brand in a company is the involvement of the employer to spread the values within the related organization. Mandiri Bank has a program called Internal Buzzer. Internal Buzzer spread in some areas has responsibility to cover some things that they privately consider as interesting about Mandiri Bank. The result of this coverage is put into their Instagram social media. There is also freedom for millennials which join internal Buzzer to spread their content. They have a choice to spread or not their content and the information in a form which appropriate with their personality.

In the program of Internal buzzer, there were some personalize element that strongly emerged by Mandiri Bank to their employer. The millennial employer is given a chance to show that their company is “different from” the other or “better than” the other company by their own version. This is what explained in the theory of Social Identity Approach to Organizational Identification (SIA). (Tajfel, 1979). In this theory, it has also been explained that eventually every employer who spread information about things or different attribute based on their own interest.

If a company has good reputation and image which is wanted by the employer or potential employer candidate who wants to join, the individual is likely to have a great possibility to be attached and self-identify with the company or related organization. (Backhaus & Tikoo, 2004). The millennial has different characteristics and very consider the appropriateness of company value with their self-value (Smith, 2015), the personalization in spreading the information about this Internal Buzzers can reach the possible peer group that has the same characteristics with Mandiri Bank’s millennial who spread the information. The element of this personalization has made many millennial feels that the values embraced by Mandiri Bank are appropriate with their values.

Accurate communication with the targeted party is also one important point spread by Sullivan (2004) to make an employer branding successful. Mandiri Bank mostly used social media channel to communicate with millennial, especially on Instagram. Based on the survey of internet penetration by Asosiasi Penyelenggara Jasa Internet (APJII), internet penetration for millennial or those who aged from 19-34 years old reached 49.94% or almost half of Indonesian citizen who uses the internet. (APJII, 2017).

It does not only present in social media, Mandiri Bank also has special strategy in managing this platform. They awwares that millennial likes friendly work environment which support the development of technology. Therefore, in Instagram account of @bankmandiri, the content is displayed through the usual poster. The programs of Mandiri Bank are displayed to appear in gadgets like handphone, laptop, and iPad. This seems to prove that Mandiri Bank keeps up with the development of the century by presenting programs in online platform that can be accessed through gadget every day. Now, millennial tends to like work space that is consciously follow the development of technology. (Gorman & Nelson, 2004).

In social media and other media, Mandiri Bank also uses the strategy of celebrity endorsement or influencer. In one version of the company profile, Mandiri Bank cooperates with Boy William to cover and interview the CEO of Mandiri Bank. Some advertisements present in social media as well as in commercial media, Mandiri Bank collaborates with Jonathan Christy as their ambassador.

"Mandiri Bank invited Jonathan Christy as their ambassador. They feel like Jonathan Christy is an appropriate figure to represent Indonesia active millennial,"

A content made by involving influencer actively has been proved to attract and gain the trust of their followers in social media. (Lou, 2018). Thus, the
strategy done by Mandiri Bank is appropriate to do if we want to get an image as a lovely company and create a millennial-friendly atmosphere.

Based on the result of the survey done by Deloitte to millennial (2016), there are some interesting activities to be done by millenial. This generation is represented as having the interest to do a travelling activity, having awareness toward healthy life by doing sports (jogging or going to the gym), going and sitting to the coffee shops, watching through streaming, as well as playing online games. (Deloitte, 2016).

To run an employer brand to millennial, Mandiri Bank actively participated in a great event with the target of millennial segmentation. Mandiri Bank became one of the main sponsorship in the biggest level event in Indonesia Garuda Travel Fair, also the executive of Jakarta Coffee Festival event in Jakarta. Mandiri bank regularly conducts an event of a marathon or become the sponsorship in sports activity like Jakarta City Marathon. Moreover, there was also Cocofest 2018 or the competition of content creator of millenial which held in Surabaya with the prize millon rupiah cash and traveling to Labuan Bajo.

Employer Brand can be said to have a strong relation with the sense of unity as well as sense of belonging owned by the employer who has joined with a company or the employer candidate who is potential to join, this can be said as related with what is mentioned in the theory of social identity (Social Identity Theories). This theory states that human has natural needs to connect with social groups where the group has the same social identity with them. (Edwards, 2010).

As explained by the survey of Deloitte (2016), it is said that millennial has an interest in the field of travel, coffee, and sports. The events conducted by Mandiri Bank seemed to fit what millennial wants. By having this event regularly, a good millenial who has joined as the member of Mandiri Bank as well as those who still becomes an external party would directly connect with the brand made by Mandiri Bank. This was because there was a similarity of values with social identity owned by Mandiri Bank

These events were not only left known by particular segments but also Mandiri Bank had successfully made some national media like online media, television, or printed covered these millennial activities. In line with Sullivan (2004), other factor that can make employer brand successful is the presence of a company in pers.

6 CONCLUSIONS

There are some factors that must have by the company to make the implementation of employer brand success. They are: (1) Culture to keep sharing knowledge and doing development to the employer permanently, (2) Public acknowledgment that the company have a good reputation, (3) The employer becomes part of employer brand process, (4) the presence of company in pers, (4) Become benchmark organization (5) Accurate communication with employer candidate to improve awareness, (6) Brand evaluation (Sullivan, 2004).

As what has been explained above, Mandiri bank has done all the factors that can succeed in the strategy of communication of employer brand, especially with millennials. This can be made as motivation for other company who participates in Badan Usaha Milik Negara (BUMN) to be able to invite millennials and make them see Mandiri Bank as a lovely company which has a social identity as well as same values with them. There are some main points that can be proposed to other company, especially which participate in BUMN to change the stigma of the company to millennial-friendly and run the employer brand to millenial optimally:

1. Using social media effectively as the main platform to spread a message. Mandiri Bank implemented it to send signs that their company is please for millennial through this platform. They also strengthen it by making their employer voluntarily spread the information about the company in social media.

2. Knowing well the target's interest, in this case, is millennial generation. Mandiri Bank truly learned that millennial has an interest in travel, coffee, and sports. This underlies the decision making of Mandiri Bank to create an event or participate as sponsorship of external activities.

3. Regular evaluation. Mandiri Bank conducts evaluation upon programs that have been made to invite share of millennial. This is also done to keep monitoring the program so that it does not deviate from corporate value from Mandiri Bank that is Satu Hati Satu Mandiri or One Heart One Mandiri, or the value which put collaboration forward.
REFERENCES


