

# EMPLOYER BRANDING AS A HUMAN RESOURCES MANAGEMENT STRATEGY

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## Abstract

The main objective of the following article is to present issues associated with employer branding (EB) in context of strategic human resource management. In the first part, the concept of employer brand and employer branding have been briefly characterized, discussing such issues as: definitions of employer brand and employer branding, internal and external employer branding, reasons for employer branding development, employer branding success factors and employer branding benefits. Further part of this article focuses on links between employer branding determinants and human resource processes, touches the issue of dilemmas of employer branding metrics, and concentrates on recent global survey results indicating growing role of employer branding in management strategies of companies. The final part makes conclusions linking theoretical consideration and research results addressed to employer branding as a recommended strategy for the modern human resource management.

**Key words:** employer branding, human resources management, management strategies.

**Classification JEL:** M12 – Personnel Management; M14 – Corporate Culture; L1 – Firm Strategy; L14 – Contracts and Reputation.

## 1. Introduction

Any organization operating on competitive market is assessed in many areas. Not only the products and services offered by the company are evaluated, but also, increasingly, its image as an employer (employer brand). If the image of the company is highly rated on the market, then it is seen as an attractive place to work and becomes *employer of choice*.

Possession of an attractive employer image allows the organization to attract the most talented, aware of their values, employees. Thus, the labor productivity as well as product innovativeness increase, which consequently leads to an increase in the competitiveness of the organization. The company's image affects consumer perception of its products. Therefore, entrepreneurs pay more attention to how they are perceived by potential employees. To emerge victorious from the 'war for talent', it is necessary for organizations to build the employer brand systematically.

The concept of employer branding was introduced in 90. of XX cent in works of Ambler and Barrow (1996, p. 187), who described it as the package of functional, economic, and psychological benefits provided by employment, and identified with the employing company. Employer branding refers at least to two disciplines: human resources management and marketing, which mutually derive from their work (Wojtaszczyk, 2012, p. 47). However, data collected from global surveys during ongoing downturn show that employer branding is also closely related to strategic management. Scientists trace the foundations of employer branding in management concepts, such as: psychological contract and customer relationship management (see: Beaumont & Graeme, 2003, p. vii; Dunmore, 2002, p. 195; Rosethorn, 2009, p. 4). However, authors of the article consider necessary to perceive employer branding in more general context as an important part of strategic human resource management, competitive market strategy and successful leadership (Minchington, 2013, pp. 2–3).

## 2. The essence of employer brand

Until recently, the employees remained in relative inferiority in respect to employers. Nowadays, these relations are changing. If a company wants to be competitive on the market, it must fight for the best specialists – for talents. It is especially in the interest of those companies that base their businesses on the competences of their employees. One of the forms of struggle for talent in today's labor markets is employer branding, that is building a brand of an employer of choice. It can be assumed that the more expressive, better employer brand the organization possess, the more attractive place to work for employees it is. The question arises, what does the employer brand mean?

One can find many definitions of employer brand in the literature. According to various authors, employer brand is:

- “(...) the two-way deal between an organization and its people – the reason they choose to join and the reasons they choose – and are permitted – to stay,” (*Rosethorn, 2009*);
- “(...) a set of attributes that make an organization distinctive and attractive to those people who will feel an affinity with it and deliver their best performance within it,” (*CIPD, 2006*);
- “(...) the image of the organization as a great place to work in the minds of current employees and key stakeholders in the external market (active and passive candidates, clients, customers and other key stakeholders),” (*SHRM, 2008*);
- A complex concept based on various intangible factors, including perception, image versus identity, and the ability to differentiate between them (*Randstad, <http://www.randstadaward.ca>*);
- A sum of the key qualities current and prospective employees identify with organization as an employer, such as: economic (compensation and benefits), functional (e.g. learning new skills) or psychological (e.g. sense of identity and status), (*Mosley, 2009, p. 4*).

Any organization that wants to build its competitiveness in the market consciously, should also build its brand of employer of choice. Employer brand of specific organization is determined by such factors as: attractiveness of the sector, company's reputation, quality of products and service, location, work environment, pay, economic conditions, employee benefits, people and culture, work/life balance and corporate social responsibility ([www.kellyservices.com.my](http://www.kellyservices.com.my)).

Employer brand of the company is not built from scratch, because it already – somehow spontaneously – exists as a result of the use (or not use) of some strategy. If the company doesn't shape its image consciously, it has no influence on how it is perceived as an employer, and affects the customers only through the quality of its products (*Berłowski & Turłukowska, <http://www.kadry.abc.com.pl>*).

## 3. The essence of employer branding

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

- Development and communication of an organization's culture as an employer in the marketplace. It is the package of functional, economic and psychological benefits provided by employment and identified with the employing company (*Ambler & Barrow, 1996*);

- A targeted long term strategy to manage awareness and perceptions of employees, potential employees and related stakeholders with regards to a particular firm (*Sullivan, 2004*);
- A process of building an identifiable and unique identity of the employer (*Backhous & Tikoo, 2004*);
- The efforts of the organization in communicating internal and external stakeholders of what makes it both desirable and distinctive employer (*Jenner & Taylor, 2008, p. 7*);
- Attracting talented people to the organization and ensuring that both existing and potential employees will identify with the company (its brand, mission) and deliver the desired by the company results (*Martin, 2008, p. 19*);
- An agreement under which the offer of the employer (manifested in organizational goals, values and initiatives that build trust in the employees) and counteroffer from employees (in the form of a high level of engagement and low retention) are matched (*Matin and others, 2005, p. 78*).

The analysis of the definitions listed above shows that they have some elements in common, such as: target groups, objectives of employer branding and communiqué transmitted in the process of shaping the brand of the employer.

The starting point for employer branding is the identity of the organization. According to M. Hatch and M. Schultz identity of the organization “(...) refers broadly to what members perceive, feel and think about their organizations. It is assumed to be a collective, commonly-shared understanding of the organization’s distinctive values and characteristics,” (*Hatch & Schultz, 2007, p. 327*). It is also defined as a symbolic, collective interpretation of employees, referring to what the organization is and what it wants to be. The identity of the organization requires identification with the company and internalization (adoption and assimilation of organizational values), (*Sulkowski, 2005, pp. 7–8, 24–25*).

In pursuit of the perfect identity, the organization communicates with individuals and entities inside and outside the organization. The effect of identity’s communication and its perception is the image of the organization, which with the time is recorded and takes the form of reputation (*Sitko & Zarębska, 2007, p. 82*). Employer branding requires taking actions consistent with the identity of the organization.

Depending on to whom initiatives in the field of employer branding are addressed, EB is divided into internal and external (<http://www.bigram.pl>). Internal employer branding is addressed primarily to existing and leaving employees and is implemented by means of development programs and building a well-defined corporate culture. External employer branding is addressed to active professionals, students, graduates and other stakeholders and is implemented by means of effective use of modern communication channels, relations with the academic community, co-operation with opinion-leading media, image-enhancing recruitment projects etc.

The main objective of EB is to build the image of the organization which: cares about the interests and needs of their employees, invests in their professional development, as well as observes and responds to trends emerging on the labor market.

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

It is worth noting some key global trends that determine the need to build employer brand. First of all, it should be emphasized that nowadays organizations operate in the environment which is constantly and often unpredictably changing. Changes occurring in: economy, organizational processes and procedures, customer requirements etc., mean that

employers who will be able to manage changes, have the opportunity to achieve a competitive advantage in the market.

Referring to the environment of the organization, essential for the development of the concept of employer branding are: demographic changes, transformations in the structure of human resources' competences and changes in attitudes towards work. Decreasing working-age population, different perceptions of the role of work in human life by young generation and lasting for years war for talents make the difficulties in recruiting and retaining the right employees in organizations (*Wojtaszczyk, 2012, p. 13*).

Another factor that determines the need for taking actions in the area of employer branding is globalization. First of all, companies more and more frequently realize their businesses on the transnational level. Secondly, advanced information and communication technologies mean that it is actually impossible to build employer brand in one market or in a selected region.

Next determinant of employer branding is competitiveness. Nowadays, more and more employers attach great importance to talent management, based on the assumption that it is a prerequisite for building a competitive organization in the long term. In particular this applies to those organizations for which attracting and retaining talented employees can't be easy. Therefore, many employers adopt employer branding policies in order to secure long-term needs of talented employees.

Transparency is another factor influencing the necessity of building employer branding programs in organizations. Nowadays employees have the possibility to share their opinions with a wide range of people through online channels. Therefore the information transfers to the labor market by the employer must be authentic and transparent, as it will be verified by current and former employees.

## **5. How to build employer brand?**

K. Backhaus and S. Tikoo assume that employer branding is a three-step process (*Backhaus & Tikoo, 2004, pp. 502–503*):

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

Analysis of the literature on employer branding allows distinguish the following steps in the process of building employer brand:

- Characterize current employer brand describing, how the company is perceived and experienced by employees, candidates for the job and other stakeholders;
- Characterize the vision of employer brand describing, how the company would like to be perceived and experienced by employees, candidates for the job and other stakeholders;
- Determine the gap between actual and desired employer brand;
- Work out the plan of eliminating the gap between the current brand reality and brand vision;
- Take actions aimed at eliminating the gap between actual and desired employer brand;
- Control the results of undertaken actions;
- Change the plan of eliminating the gap if necessary.

To describe current and desired employer brand, needs and aspirations of employees, candidates for a job in the organization as well as other stakeholders should be recognized. For this purpose leading employers often make use of a wide variety of qualitative and quantitative research techniques, including (*Mosley, 2009, p. 8*):

- a) Labor market mapping – where can the organization best find and target potential candidates.
- b) Attraction analysis – what are people looking for from potential employers.
- c) External image research – how do people regard the organization in relation to other employers.
- d) Joiners surveys – what expectations do new joiners have and is the organization meeting them.
- e) Employee engagement surveys – how engaged are organization’s current employees.
- f) Engagement driver analysis – what is driving employee engagement in the company.
- g) Segmentation – how much do employee needs and aspirations vary from group to group.
- h) Appreciative inquiry – what characterizes the organization at its best, and what makes the company distinctive.
- i) Best practice benchmarking – how do current HR practices of the organization compare with other leading companies.

At this point the question arises, who (individual, organizational unit) is responsible for employer branding in the company? It must be emphasized that building a strong employer brand is not the sole responsibility of HR department. It is a team approach that starts from the leadership and includes human resources, marketing and finance. In fact, everyone in the firm should be an *ambassador of the brand* ([www.kellyservices.com.my](http://www.kellyservices.com.my)). The key role of HR in employer branding is to raise awareness of the employer brand – from the company reputation to the routine experience in the workplace (*SHRM, 2008*).

## 6. Employer branding benefits

Making certain decisions and actions every organization considers both costs and benefits of their performance. So the question arises about what are the benefits of employer branding in the organization?

The three major benefits of strengthening organizational employer brand, identified in studies conducted by Hewitt Associates, are: enhanced attraction, retention and engagement (*Mosley, 2009, p. 5*). A strong employer brand associated with stronger attraction and higher than average levels of employee engagement will ultimately contribute to better financial results.

When properly planned and implemented, effective employer brand strategies can deliver high impact and long-term results including ([www.kellyservices.com.my](http://www.kellyservices.com.my)):

- Competitive advantage;
- Significantly enhanced talent pipeline;
- Increased employee engagement levels;
- Greater workforce diversity;
- Stronger corporate culture;
- Stronger PR tool kit;
- Increased support for the organization and brand;
- Increased shareholder value.

According to Nigel Wright Consultancy, employer brand construct consists of five key values to the potential applicant (*Employer Branding Report*, [www.nigelwright.com](http://www.nigelwright.com)):

- a) Interest value – the extent to which an individual is attracted to an employer that provides an exciting work environment, has novel work practices, and makes use of its employees' creativity.
- b) Social value – the extent to which an individual is attracted to an employer that provides a working environment that is fun, happy, and provides a supportive team atmosphere.
- c) Economic value – the extent to which an individual is attracted to an employer that provides above average salary, an attractive overall compensation package, and job security and promotion opportunities.
- d) Development value – the extent to which an individual is attracted to an employer that provides recognition, self-worth, and confidence coupled with career-enhancing experiences and a base for future employability.
- e) Application value – the extent to which the employer provides an opportunity for the employee to apply what they have learned and to develop others in a customer orientated and humanitarian environment.

As already mentioned, in the process of building employer brand a great role plays HR department in organization. On the other hand, properly designed and implemented employer branding programs bring many benefits to organizations in the area of human resources, which are shown in Figure 1 and Figure 2.



Figure 1: Internal EB benefits for the organization in the area of human resources (own study)

To sum up, above considerations prove, that employer branding is critical for success of the organization, as well as brings benefits to both employees of the company and applicants for work. Moreover, it can be seen as a strategic tool for enhancing company's competitive position on the market.

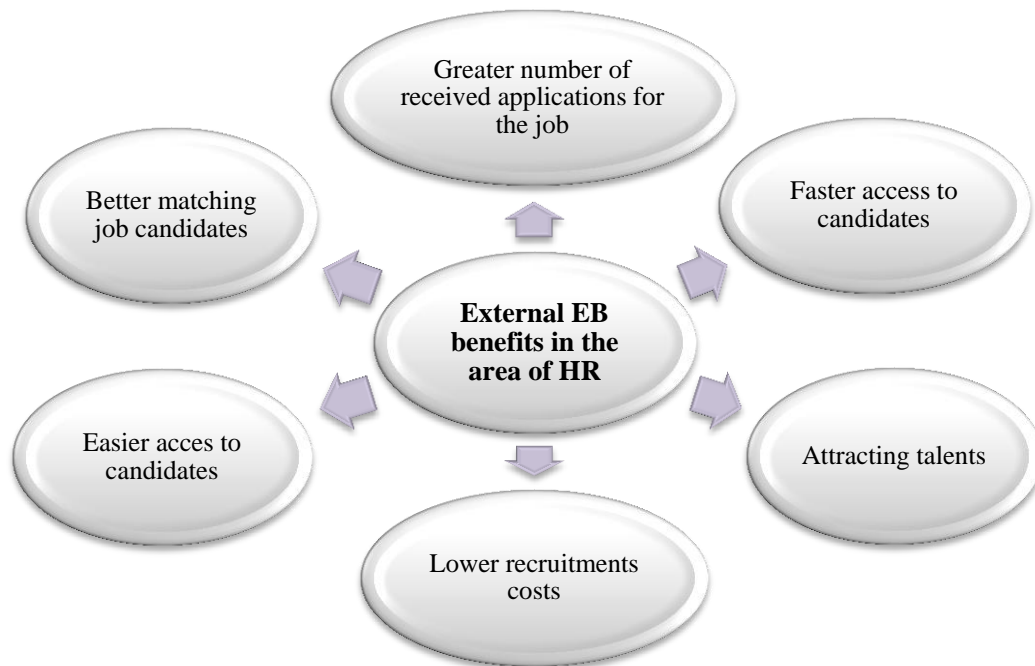


Figure 2: External EB benefits for the organization in the area of human resources (own study)

## 7. Employer branding success factors

Cultivation of employer brand of the organization has become a way of attracting and retaining the most desirable employees – those who will be able to ensure continuity of the organization and its profitability (Moroko & Uncles, 2008, p. 160).

The questions arise, what are the success factors of employer branding, and what principles should be observed in the process of employer branding construction and development?

According to J. H. Menor, some rules must be followed in order to attract and retain talented employees (Menor, 2010):

1. *Balance work and personal life* – work-life balance is becoming more and more important for building employees' loyalty and results in higher level of their retention.
2. *Competitive compensation package* – to make employees feel appropriately and fairly paid for the work they do, HR specialists should investigate what other organizations offer their employees in terms of salary and benefits, as well as in terms of compensation package and benefits for the particular position.
3. *Treat each employee with respect and as an individual* – each employee expects respect and recognition of the team member's contribution in the success of the organization.
4. *Positive work environment* – the best way to build positive work environment and retain the best employees in the company is to make it as easy as possible for people to do their jobs.
5. *Eradicate favoritism* – favoring certain employees cause dissatisfaction among team members, decrease their morale and productivity, which is reflected in the results of the

company Therefore equal treatment of all employees and avoiding favoritism is essential for the retention of key employees in the organization.

6. *Communication and availability* – active listening to employee's and clear communication of expectations, goals and rules to be followed, give them honest feedback and helps them to feel recognized and important.
7. *Employee empowerment* – employees who have a sense of responsibility and ownership, and which ideas are often recognized, feel important to the organization, work harder, less complain and are willing to stay in this company for longer.
8. *Placing the right talent for the right job* – employees should be placed in environment that they can be truly useful, making the world around them a better place for all stakeholders of their organizations.
9. *Celebrate successes and make the workplace fun* – sharing small successes with employees' is a great way of making the workplace fun.
10. *Workplace flexibility* – it is hard to manage workplace flexibility (which means giving employees the option to work flexible hours), therefore flexibility policy should be well defined and implemented accordingly.

According to L. Griffin and T. Clarke factors that seems to be critical to successful employer branding, are (*Griffin & Clarke, 2008, pp. 2–3*):

- a) Definition – to be successful with employer branding, a company must first understand what it means, and what its current and aspirational brand is.
- b) Execution – includes activities such as: developing a plan, securing resources and working the plan.
- c) Engagement – the brand of the organization is resonating among its current employees, when they report the company as a great place to work, they are recruiting employees for the organization and they can point to the attributes that make the organization an employer of choice.
- d) Achievement – it is necessary to give an answer to the question of whether the employer branding pays off as regard concrete organization.

In order to be successful, employer branding must contain each of these eight essential elements (*Sullivan, 2004*):

- a) A culture of sharing and continuous improvement – the foundation element of a good employment brand is a senior management team that encourages, measures, and rewards the development and sharing of best practices.
- b) A balance between good management and high productivity – in order to insure a strong brand as well as improved employee productivity, organizations must measure and reward balance between the use of good management practices and efforts to improve employee productivity.
- c) Obtaining public recognition – great-place-to-work lists, local news agencies, periodicals etc. enable the organization to show up as the best employer.
- d) Employees “proactively” telling stories – having employees that tell stories builds pride and increases retention rates as well as increases the number and the quality of employee referrals for open positions.
- e) Getting talked about – managers should speak and write about their management practices in highly visible ways, as well as should focuses on getting written up in the business press.
- f) Becoming a benchmark firm – benchmark firms are those which have best practices that everyone else wants to learn about and emulate.



- g) Increasing candidate awareness of firm's best practices – the basic foundation of this step is to craft messages to organization's target audience of potential applicants, so that they apply for jobs specifically because of company's management and business practices.
- h) Branding assessment metrics – branding metrics should become part of the assessment criteria for all major business functions and their managers, and the results of the assessment should be made available to all interested parties and become the basis for improvements.

## 8. Employer branding determinants and metrics dilemmas

Organizations have an employer brand whether they know it or not. Based on the assumption that enterprise has determined the value of its brand in retaining its most valuable employees, converting potential recruits into applicants, and applicants to new employees (*Knox & Freeman, 2006, pp. 697–698*), the most popular way of checking determinants of company's brand is to do an analysis of attributes that attract and/or retain talents in this company with benchmarking to similar organizations (*Hieronimus at al., 2005, p. 13*).

The mutual links can be discovered between employees' perception and employer branding image. This perception undermines the essence of the psychological contract recognized between employee (potential or already engaged with company) and employer (*Wellin, 2013, p. 33*) and his/her decision about employment continuation, or not. Also, the feed-back for employer branding efforts and current HR processes of recruitment and work satisfaction is predicted. Those relationships have both socio-psychological and organizational nature, and they are illustrated in Figure 3.

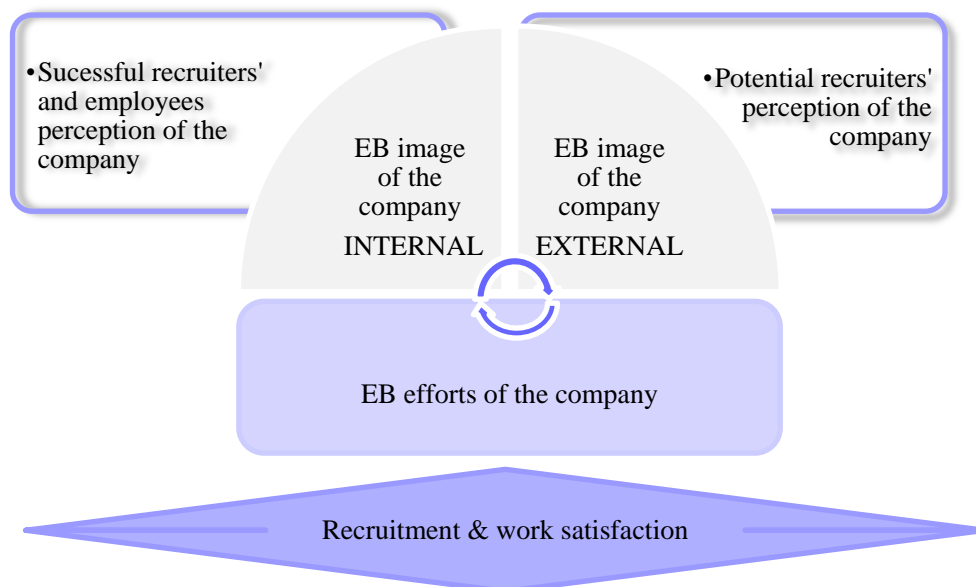


Figure 3: Feedback from recruiters' and employees company's perception to EB image and EB efforts (own adaptation on basis of *Dukerich & Carter, 2000, p. 110*)

Employer branding is crucial during challenging economic environments. In fact, during tough times, like ongoing downturn period, it is more important than ever. Companies' budgets are under pressure and it is now that Human Resources departments, traditionally

viewed as a cost center, have justify the *return on the investment* (ROI) for employer branding efforts. To overcome this challenge, HR has to partner with other functions in company and impress upon the organization the long-term benefits of good employer branding and the significant impact on general efficiency (Minchington, 2006).

One way of measuring an employee's ROI will require HR and Finance units to measure effectiveness and performance against the investment of the employer brand.

*What is the ROI, then, of investing in employment branding?*

As it was specified in chapter 6 (and in Figure 1 and Figure 2), there is a range of different benefits of employer branding: by strengthening employer brand, organizations are able to focus less on overcoming the talent shortage, significantly enhance their talent pipeline, improve employee retention, and increase shareholder value. The common task of company's services is to evaluate this impact in numbers, to evaluate how much money company saved because of its employer branding activities. The relationship among flow rate of employees, financial performance and the market value has been verified in many studies (Xiang *et al*, 2012). In a study published by the Harvard Business Review it was found that employers who invested more in their employees' training and development outperformed the stock markets by up to 35% ([www.kellyservices.com.my](http://www.kellyservices.com.my)). Even during the downturn in 2001, the authors recorded a 4.6% increase in stock value among companies with strong training and development budgets versus the declining markets. Similar results show also more fresh surveys (see chapter 9). They all prove economic sense of employment branding. However, employment branding has also positive psychological and sociological impact on organizational culture and increases employee satisfaction and morale. Since there is established connection between employee satisfaction and customer satisfaction, employer branding can increase reciprocally customer service levels and customer satisfaction, and by this double effect – the economic value is also reinforced. Those links and effects are illustrated in Figure 4.

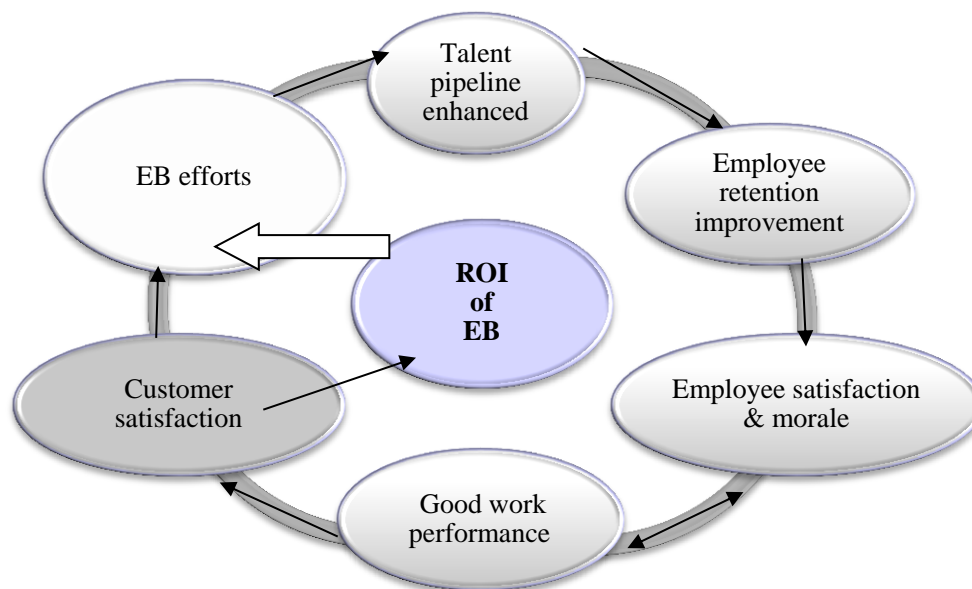


Figure 4: Feedback from employer branding efforts in a company to its return of investments (ROI), (own study)

Employer branding metrics should be always carefully identify, track and report on costs involved in attraction and retention activities. To start with, an organization's employer

branding metrics need to be aligned with business objectives and all lines of business and functions have to be involved in the development process. However, organizations are different, and therefore, there is no standard of measurements that suits every organization.

Most popular traditional metrics that have been used to measure ROI on employer branding activities include ([www.kellyservices.com.my](http://www.kellyservices.com.my)):

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

More and more frequently enterprises also implementing personalized forward-looking measures that include: promotion readiness rating, external versus internal hire ratio, quality-hire ratio, performance ratings of newly promoted managers and CEOs failure rate. However, any metrics should be always dedicated to concrete organization with its specific targets, structure and processes.

On the end of the chapter it is necessary to repeat that any employer branding metrics are determined by financial resources and the capabilities to support the compilation, analysis and reporting of metrics. Also the culture of the organization need to be taken into consideration as an important factor which facilitates the measurement of employer branding or oppositely – acts as a specific psychosocial barrier.

## **9. Employer branding strategic value – data from current global surveys**

The studies investigating current status of employer branding and benchmarking EB of companies across different industries and sizes since several years started to be regular activity of global personnel consultancies (*McKinsey, Randstadt, Antal International, Hewitt, Recruitment & Employment Confederation, and many others*), as well as of intensive scientific analysis. Survey findings help to identify key trends which can be used to guide the development and management of company's EB strategy at a global and/or local level.

One of most active research organizations represents an Australian company *Employer Brand International* which conducts wide employer branding studies (*see: [www.employerbrandinternational.com](http://www.employerbrandinternational.com)*). The company carefully compares data collected for different branches and regions in its annual global study called *Employer Brand International – EBI*. The fresh edition of EBI – from June 2013, done on the basis of exploration of more than 1900 organizations, brings following conclusions:

1. For 41% respondents, the current economic situation will have a significant impact on their performance over the next two years and it will influence their EB efforts.
2. However 39% of them will continue to invest in employer branding activities, 57% will increase its investments, and only 7% intends to reduce it.
3. Companies drew attention to two main factors with which the company must face currently: the potential of employees (18% responses) and lack of talent (15% indications)
4. Responsibility for the actions of employer branding in 37% cases is on the side of HR department, in 18% cases – on side of executive management, including the CEOs, only

- in 14% companies – EB is the task of marketing department. In addition, for 46% respondents employer branding business activities are management.
5. For ab. 60% respondents their EB strategy is consistent with the company's values and with its mission and vision. Furthermore, for 47% companies their employer branding strategy is consistent with the overall strategy of the company.
  6. Companies track changes in the communication market and changing their attitudes to social networks at work – now significant majority of companies (69%) allow employees to use social media, as LinkedIn.com and Facebook.com, during working hours, only 14% still blocking access, and in 13% of cases, the use of the services is possible in a specified time period.
  7. Evaluating the year 2012, EB activities undertaken by companies have had the greatest impact on: communication (63%), recruitment and the process of introducing new employees (53%), development of employees (43%) and talent management (30%).
  8. In ongoing 2013 year companies use both new and old EB communication channels in the process of recruitment: recommendations of current employees (26%), social media (24%), portals and web portals dedicated to career planning (20%), and traditional boards with job advertisements (11%).
  9. Companies most value among its employees following competencies: customer orientation (63%), communication skills (59%), teamwork skills (51%), creativity (39%), the less valued occurred skill of coping with risk (8%).
  10. The best candidates or best employees interested in: environment conducive to teamwork (48%), the obligation of the employer to develop employee (36%), an innovative company culture (36%), and a company that is constantly evolving (35%).
  11. Companies are aware they must meet certain challenges in recruiting talent. According to information received from respondents, it is difficult for companies to locate where to look for talent (29%), frequently they are not able to meet the financial needs of potential talented recruiters (28%), company's websites dedicated to career are not attractive to talent and companies do not use social media effectively recruitment processes (26%).
  12. Employer branding activities have had the greatest impact on communication (63%), recruitment and the process of introducing new employees to the companies (53%), development of employees (43%) and talent management (31%), (*Employer Brand International 2013*, [www.employerbrandinternational.com](http://www.employerbrandinternational.com), PDF).

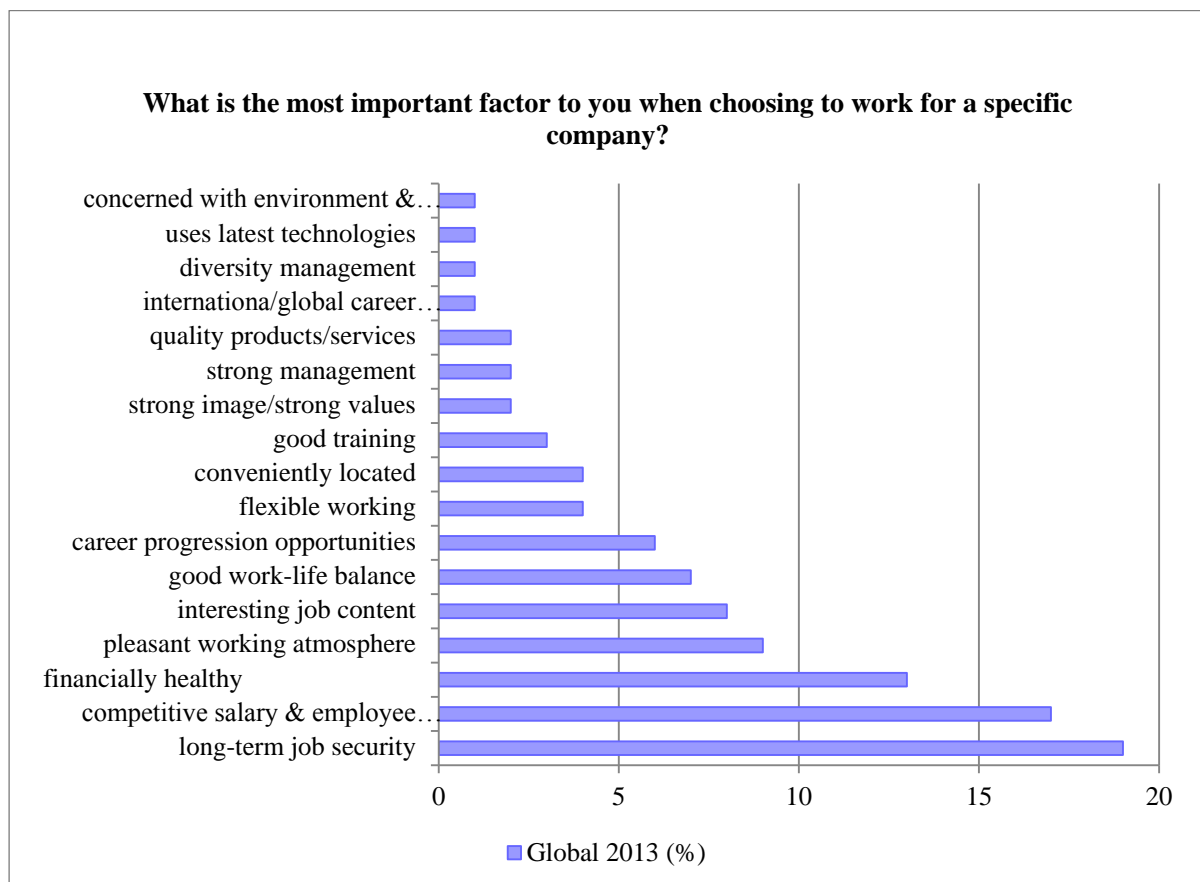
As Brett Minchington, an author of the report, concludes:

...“ global research at EBI over the past four years shows a clear trend of the human resource department being the dominant player in delivering the company's employer brand strategy... ..” interestingly, but importantly, CEO's (18%) and the Executive Team (12%) are now responsible for the employer brand strategy, compared to only 1% (CEO's) and 2% (Executive Team) in our 2009 study. This would suggest an increase in companies now deploying a more strategic approach to employer branding,” (*Minchington, 2013, p. 3*).

All over mentioned findings suggest leadership of employer brands is evolving into other functions than before and starts to be important part of company's global management strategy. Currently, the responsibility for employer branding is becoming more fragmented, in organizations are built new specialized divisions for talent management and branding emerging. An increasing number of companies already successfully adopting an employer brand philosophy, although still quite big proportion has to develop their approach to employer branding. According to cited EBI report, the focus of the future discussion in area of EB should be on the “skills, experiences and capabilities required to effectively delivery

the employer branding function and the structure of the team that supports it". Moreover, EB function worldwide differs a lot, it is well developed in USA, Canada or in Western Europe, but stays on the more or less beginning phase in the rest of the world countries. The big brands are involved in taking care about their employer image, medium and small companies apparently less.

There are many disparities in national traits of EB which were confirmed by another current global report of Randstadt Award (*Employer Branding, Randstadt, 2013*). The Randstadt survey was aimed to check perceived attractiveness of companies amongst 150 biggest employers in 18 countries, with total sample of respondents N=142169. On the question: *what are the top 5 most important factors to you when choosing to work for a specific company?* – there were obtained results (as % of indications) present on Figure 5.



*Figure 5: Expectations addressed employer by potential employees  
(own adaptation of survey Employer Branding, Randstadt, 2013, p. 12)*

As it is seen above, globally, job security remains the most important factor when looking for an employer, valued factors are competitive salary and employers' financial health, on next positions are aspects connected with working atmosphere and job content. Some specific national tendencies in priorities addressed to potential employer include:

- The strongest importance of job security was found in Spain, UK and Australia, and it is seen the key factor in Europe in general. It could be explained by the current recession which especially hit EU countries in the year of 2012, when survey was conducted;

- Financial health high priority has employees in India, Singapore, New Zealand and Canada and competitive salary has definite first place in case of France and Poland (both of them had 20% indications);
- Working atmosphere is most important factor in the Netherlands (22% in the Netherlands point at it against 9% across the 14 countries);
- Spanish people first look for career progression opportunities, next they value job security and career prospects and job content
- Work-life balance is most important to Italian and German people;
- In opposite to the rest of the world, Indians are highly attracted to international career. Overall, only 2% of respondents view global career opportunities as the most important factor and 13% select it as one of their top five most important criteria when looking for an employer. In India, global career prospects are the most important factor (39% indications).
- Job content is the primary concern in Japan (31% of indications), on the next positions are company's financial health and job security (*Employer Branding..., Results Randstad Award 2013. Global Report. [www.randstad.com](http://www.randstad.com), PDF*).

Other characteristic differences in perceived attractiveness of employer offer were found across demographic categories as gender, generation, level of education and comparing employees' job positions in organizational structure:

- The criteria to female respondents show a similar pattern across countries: women are typically concerned with flexible working arrangements, a good work-life balance, accessibility of the workplace and a pleasant working atmosphere;
- Also across countries, men look more for financially healthy companies and they are focused on strong management, future prospects, international career opportunities, good training and quality products and services. In addition, men are more interested in the use of modern informatics technologies and innovative practices;
- Young potential employees (aged 18 – 24), represented so called generation Y, is more attracted to companies that offer future prospects, global career opportunities and good training; they seem more ambitious and eager to grow in their career;
- Between the ages of 25 and 44 (X work generation), salary and work life – balance play most important role. It can be easy explained by their typical social roles as a parents; they need flexible work hours and sufficient budget to take care of children;
- Older respondents (45 plus, Baby Boomers work generation) first look for stability – they are value job security and the financial health of the company;

Also strong leadership and good quality of products/ services delivered by company are other important criteria of employer branding to this generation;

- Respondents with lower level of education (maximum secondary level) care more for job security and comfort in terms of flexible working and accessibility of the workplace. The lower is respondents' education level, the higher the importance they assign to salary, atmosphere and flexible working arrangements;
- Respondents with higher level of education (from third level) are generally more attracted to companies that offer interesting job content, future prospects and global career opportunities;

- Social media and networking events are more popular among men in compare to women and obviously in cohort of people with higher education – even 62% of respondents use web portals and web discussion groups to find a job;
- Regular workers from production as well as administration staff workers, generally share basic needs: i.e. job security, pleasant working atmosphere, flexible working arrangements and good accessibility of the workplace. However office staff, assign significantly more importance to the job content and also look more for career prospects than production workers;
- Managers, similarly to office staff, aspire to learn and perform on a higher level. They first look more for career prospects, strong management, international career opportunities, company's strong image and values and innovativeness.

The biggest challenge for modern employer branding is probably linked with intensively growing up popularity of social media and internet networking, what starts to be dominant factor shaping company's image in society. They can act on goodness of companies, as well as – can easy destroy carefully planted employer brand. It once again stresses the role of strategic approach to efforts of building effective employer branding.

## 10. Conclusions

Nowadays, the issue of employer branding is becoming increasingly important. More and more organizations realize that their future success may depend on whether they are able to attract, recruit and retain employees with the desired qualifications. Success in the war for talent is likely to be reached by those employers who are able to effectively create the image of a good workplace by communicating own strengths in and outside the organization. However, to reach those aims, they should treat employer branding as central part of their human resources management strategy, and as an important part of their general business strategy. Companies with a strong employer brand can hire the most effective workers, often paying less. They have lower level of fluctuation, lower rate of absence from work, more committed and satisfied team of employees and, consequently, higher profits for the company. The attractive and confirmed by opinion of sufficient amount of employees (for example during discussion of internet networks) image of employer increases number of potential talents interested in working within the company, ready to engage their efforts to improve company's productivity and innovativeness.

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

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