

The Role of Employer Branding in Choosing a Workplace in South-West Slovakia

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Abstract: Nowadays, it is typical that not only employees compete to get a specific job, but also competition has developed between companies so that the most talented employees choose them and work for them. However, acquiring the most talented and most suitable employees for a given position requires serious energy. One potential tool for this is employer branding. In our study, we would like to assess the role this plays in the choice of workplace in South-West Slovakia. To this end, we conducted primary research involving 150 respondents. During our research, we formulated three hypotheses, which were analyzed in the SPSS statistical program. Based on our research results, even though employer brand building can be attributed to a costly marketing activity, it will definitely pay off after a certain period of time, as factors that are important to the respondents during the job search can also be found in the elements of the employment value proposition defined in the literature. The majority of respondents consider it important that the company has a good reputation as an employer, and it is also characteristic of them that they would prefer to work for a company with a strong employer brand.

Keywords: employer branding; job search; labor force

JEL Classification: E24; J21; J24

1. Introduction

The brand is of great importance in the life of the company. It is a value that, if handled creatively and competently by marketers, has a great impact on the company's profitability (Kotler & Keller, 2013). Levine (2003) reflected on the brand in such a way that anyone or anything that has an influence on the consumer can form the brand.

The concept of employer branding was first discussed by Ambler and Barrow, who defined it as the set of functional, economic and psychological benefits derived from employment and identified with the employee (Ambler & Barrow, 1996). Armstrong and Kotler (2006) stated that employer branding is the cultivation of a specific organizational image through the development of a brand reputation that is not only related to the core business but also to the widely accepted employer reputation.

The international competitive environment forces businesses to seek strategic advantages in non-traditional areas such as human resources and organizational culture (Kargas & Varoutas, 2015). Since all companies strive for the highest profit, they must pay great attention to acquiring the most suitable and valuable workforce. Therefore, it is

important to develop a strong organizational identity that conveys the company's values and distinguishes it from its competitors (Martic, 2022).

Nowadays, employer branding is of great importance. A positive employer brand increases recruitment success, employee engagement and recruitment. Nowadays, the decisions of employees are characterized by the fact that they choose an employer based on the same conditions as they choose products and services. This is especially true for members of the Y generation, who do not view their work solely as a means of earning money, but also want to enjoy it (Kajos & Bálint, 2014).

Biswas (2013) distinguished four elements that jointly create the employer brand: performance management, culture and environment, brand image and reputation, and employment package. Employer branding is based on experience. According to Edwards (2010), values and impacts are created when companies carefully manage their employment experiences. We call this employment experience an employment value proposition (EVP). In 1999, the Corporate Leadership Council released a report emphasizing a strong EVP. In addition to the opportunity to work for a company with an employer brand, these offerings include the level of compensation and benefits, work environment, work-life balance, and company culture. It is important for a company's EVP to meet various criteria, to be honest, clear, inspiring and unique. The EVP is a kind of declaration in which the company can communicate its benefits to the employees.

The most important building blocks of a successful employee value proposition include compensation (salary, increases, fairness, timelessness, promotions), benefits (freedom, security, flexibility, development, home office), career (stability, consultations, evaluation, career building, feedback), the work environment (challenges, recognition, independence, understanding, balance) and the culture (understanding of goals, colleagues, support, trust, team spirit) (Talentlyft, online).

Not all companies are willing to invest money in employer branding because the costs can seem high compared to the immediate returns. After all, building a strong employer brand requires a company to spend money on research and creative development, and increase the workload of already busy departments. Including human resources and marketing (Kajos & Bálint, 2014).

Based on the research of Moroko and Uncles, there is a correlation between how well-known and easily noticeable the company is, as well as the extent to which it can be considered a relevant employer and how it can be distinguished from its direct competitors (Sánta, 2020 based on Moroko & Uncles, 2008). To build a strong employer brand, we need a certain amount of time in order to get the right results. It is a longer process that has great benefits that are worth waiting for. Hollensen (2007) characterized employer branding as a long-term process, the purpose of which is to plant a positive image in people's minds about the company that attracts them. Sullivan (2004) defined employer branding as a long-term strategy that targets three distinct groups:

- existing employees and their effective management,
- future or attracted sought-after employees,
- third parties related to the company and interested in cooperation.

Backhaus and Tikoo (2004) defined the employer branding process in three steps. The first step is to create a value concept that embodies the brand. The organization should conduct thorough research in this step, as it involves developing propositions that will become the central message. The second step is the marketing of this value and brand. The target group is made up of employees, so it is important that the brand's message is attractive to them. The final step in the process is the internal marketing of employer branding. Keeping the brand promise, introducing it to new employees, and incorporating it into the organizational culture.

Kozlowski (2012) divided employer branding into external employer branding and internal employer branding, which companies can implement in different ways.

- External employer branding – The company must be visible in the target markets of the employees using a multidimensional method. The company needs an excellent website that includes the culture, career opportunities, and advertises why the employee should choose the workplace. This type of branding is mainly for professionals, students and graduates. External branding can fulfill two functions. It primarily performs an image-creating function, the main task of which is to increase the brand awareness of the candidates, inform the labor market about the company and its activities, as well as the advantages of working in the company. Secondarily, it has a recruitment function, which is responsible for finding potential, talented workers to fill job vacancies.
- Internal employer branding – The second is the internal approach, during which the company turns its employees into “protectors”. Internally, they create powerful branding based on the employee experience, making employees love the workplace. (Kunerth & Mosley, 2011; Gaddam, 2008).

Employer Brand International CEO Brett Minchington (2006) has created a roadmap to help companies develop their employer brand. The plan consists of four parts: concept, design, integration and evaluation.

- Conceptual phase – First, define the boundary scope of the employer brand project. Next comes the identification of those involved, followed by the completion of internal and external research and the evaluation of the results. The main responsible department of the phase is HR.
- Designing phase – In this phase, the identity and image of the employer brand is defined, which is reviewed and evaluated by the company's top management.
- Integration phase – Here, HR connects the employer brand management system with the people management guidelines and practices, and together with this, the communication plan for the employer brand is created.
- Evaluation phase – The metrics defined by the HR functions show a picture of the return on investment, and these results are jointly reviewed with management (Biswas, 2013).

According to Biswas (2013), measures with employer branding are still emerging. It is difficult to show tangible results within a short period of time from the investment. The most frequently used offers in articles published by researchers on the topic include:

- conducting a survey among employees, which can be used to assess employee satisfaction,
- measuring the skills, abilities, and knowledge of incoming employees, which can be used to determine productivity at the individual level,
- university survey on the various campuses.

Every employee chooses a workplace based on different criteria. It is essential for companies to know these job selection aspects in order to successfully attract the workforce. Since it is impossible for us to conduct worldwide research on the topic, we would like to gain a broader insight into the topic using data from the Randstad Award, which is the world's largest employer survey.

During the successful branding process, it is essential to get to know the current image of employers and the employee side, and to explore the differences between the value propositions requested by employees and those offered by companies. Based on the research, the ranking of the three most important factors influencing the choice of workplace is unchanged compared to previous years. For 73% of respondents, salary remains the most important evaluation aspect, followed by a pleasant working atmosphere (61%) and long-term job security (56%). Again, work-life balance and the financial stability of the company are at the forefront of the aspects that influence employers' judgments. The significance of both the flexible schedule and the interestingness of the job position has increased, and the role of the company's general reputation and social responsibility has also increased (Randstad, 2020). With this ranking in mind, it is worthwhile to develop the employer brand.

A lot of people see their work as a constraint that only provides them with financial security and a living for their families. However, there are also individuals who look at their workplace from a different perspective. They see their work differently, mainly putting career and personal development first. Both views are understandable, but the difference between them is that financial security satisfies the individual in the short term, while career building is a longer and slower process. Those who set goals for themselves and work for their personal development will be more effective in their work, and this will pay off in the long run. Job choice preferences are crucial for an individual in choosing the right job (Dukar, 2021).

Currently, many companies are struggling with a labor shortage, and it is certainly not an easy task to find the right employees. The Y generation is completely different from its predecessors, it prefers different aspects, but a successful company must know the job selection needs of the young generation in order to successfully attract them. However, it is also important to retain them. A significant part of the young generation is more open to new things and is not afraid to even change jobs in order to achieve their goals. In many cases, if the employees' idea of the given job position differs from reality, they can switch without hesitation. Members of Generation Y perceive work as an experience. They look for opportunities for their own self-realization in companies. They are characterized by thinking, they want to develop quickly, and a career abroad is attractive to them (Libby & Mark, 2010). Generation Z is already more goal-oriented, more proactive and open to new things, they do

not doubt their abilities. With the help of the virtual network, they can perform their tasks even from the other side of the world, they are not tied to a specific location. They no longer represent the traditional work culture, they are building a completely new world (Gyarmati, 2017).

2. Methodology

The aim of the research is to reveal the role of the employer brand in the choice of workplace in South-West Slovakia. In today's uncertain world, we would like to know what effect the employer brand has on people, and what preferences they have, by which they choose a workplace. During our research, we conducted primary research. Primary research is one of the most popular research methods, during which one's own information collected for a specific purpose is analyzed (Boncz, 2015). The research was carried out using a questionnaire, which was edited using Google Forms. We distributed our online questionnaire using the snowball method. We sent the questionnaire to 50 of our friends, who were asked to forward it to at least 5 of their friends living in South-West Slovakia. The questionnaire could be filled out for two months. During this time, 150 responses were collected. The hypotheses formulated during our work were the following:

- H1: In terms of gender, a significant difference can be shown in how important the employer's reputation is to them.
- H2: In terms of gender, a significant difference can be shown in how important the brand is to them in general.
- H3: In terms of gender, a significant difference can be shown in whether they would prefer to work for a company with a well-established employer brand.

The received data were analyzed using Microsoft Excel and the SPSS statistical program.

3. Results

In the first half of our questionnaire, we asked demographic questions. The first question was used to reveal the gender of the respondents, which helped us to get information that a higher number of women were involved in our research, making up 67% of the respondents. Men were present with 37%.

The questionnaire was mostly filled out by young people in the 18-25 age group. This age group was represented by 58 people with 39%. 30 (20%) of the participants aged 26 to 35 filled out the questionnaire, while 26 (17%) of those aged 36-45 filled out the questionnaire. There were 30 people over 46, with 20%, and 6 people over 56 were present in a relatively smaller proportion (4%). This means the majority of the answers came from members of the Z (under 27) and Y (27-42) generations.

After clarifying the gender and age of the respondents, we also wanted to gain an insight into their educational qualifications. The highest number was represented by those with a secondary education at 67%. This was followed by persons who graduated from college or university (27%). Respondents with primary school education had the smallest proportion, with 6%.

The other questions in the questionnaire can be divided into two groups: workplace choice and brand. The first question about job search focused on how the respondent searches for work.

Nowadays, information is transferred in many different ways. This can also be an advantage when looking for a job, as there are many options that companies can use to advertise their vacant, new positions to employees. In today's modern world, this flow of information takes place mainly on online platforms. Paid advertisements on these online platforms are highly effective in reaching potential employees. 37% of the respondents use job portals to find a job. 15% search for new jobs through various Internet advertisements, while 7% of those surveyed search for new jobs in Facebook groups. A large number of respondents apply for a certain position directly by contacting the employer (29%). Nowadays, employment agencies are becoming more and more popular, but only 6% of our respondents use their services.

In the next question, we sought the answer to what factor motivates the respondents when choosing a specific workplace. The most popular aspect was salary, with 43%. In second place was long-term job security, which was indicated by 27%. Career-building opportunities are preferred by 17%, while flexible working hours are preferred by 13% when choosing a new workplace. This is mostly typical of the Y and Z generations, who already change jobs more easily, prefer flexible working hours, and see work not only as a constraint, but as opportunities for development and career building.

After that, we assessed how important the reputation of a particular employer is to the respondents. Respondents had to indicate this on a five-point Likert scale (1 – not important at all, 5 – very important). 37% of respondents consider the employer's reputation very important and another 33% consider it important. For 18% of respondents, this is neutral. 9% believed that the good reputation of the employer is less important, and 3% indicated that it is not important at all.

Our first hypothesis concerns whether there is a significant relationship between the respondent's gender and how important an employer's reputation is to the respondent. In order to test the hypothesis, we prepared descriptive statistics (Table 1) and performed analysis of variance (ANOVA) (Table 2).

The reason for this is that since the gender of the respondents is a nominal variable and the degree of importance measured on the Likert scale is a scale-type variable, based on Sajtos and Mitev (2007), in this case, an ANOVA analysis must be performed to test the relationship between them.

Table 1. Hypothesis H1 – Descriptives

How important is the reputation of a workplace to you?								
	N	Mean	Std. Dev.	Std. Error	95% Confidence Interval for Mean		Min.	Max.
					Lower Bound	Upper Bound		
Man	55	3.85	1.113	.150	3.55	4.16	1	5
Woman	95	3.96	1.091	.112	3.74	4.18	1	5
Total	150	3.92	1.096	.090	3.74	4.10	1	5

Based on the values in Table 1, the reputation of a company is more important to women than to men, however, Table 2 does not confirm the H1 hypothesis, as the significance level (Sig.) of the probability of test F is 0.580, i.e. greater than 0.05. We can accept the null hypothesis and reject the H1 hypothesis.

Table 2. Hypothesis H1 – ANOVA

How important is the reputation of a workplace to you?					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.372	1	.372	.308	.580
Within Groups	178.668	148	1.207		
Total	179.040	149			

In the next question, we have already turned to the brand, employer branding.

Since the brand is present in all areas of our everyday life, we asked how important the brand is to the respondent in general. The respondents again had the opportunity to express their opinion on a five-point Likert scale. By marking a point of five, the respondents indicated that they consider the brand very important in general, which made up a total of 24% of the incoming data. 29% consider the brand important, and 31% gave a neutral answer. For 7% of respondents, the brand is less important, and for 9% it is not important at all.

Our second hypothesis related to whether there is a significant difference between genders in how important the brand is to them in general. Due to the type of the two variables, we also performed an ANOVA analysis (Table 4), before which we prepared the descriptive statistics (Table 3).

Table 3. Hypothesis H2 – Descriptives

How important is the brand in your life in general?								
	N	Mean	Std. Dev.	Std. Error	95% Confidence Interval for Mean		Min.	Max.
					Lower Bound	Upper Bound		
Man	55	3.67	1.139	.154	3.36	3.98	1	5
Woman	95	3.42	1.225	.126	3.17	3.67	1	5
Total	150	3.51	1.197	.098	3.32	3.71	1	5

Table 4. Hypothesis H2 – ANOVA

How important is the brand in your life in general?					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.206	1	2.206	1.546	.216
Within Groups	211.267	148	1.427		
Total	213.473	149			

Based on the results, the brand is generally more important in the life of men than in the case of women, but the analysis of variance did not show a significant relationship in this case either ($0.215 > 0.05$), therefore we also reject the H2 hypothesis.

In our questionnaire, we also used the option of an open question, where our respondents could express their opinion regarding the employer brand. We were wondering if they knew any companies with a strong employer brand. 72 of the people interviewed answered (48%) that they did not know such companies, and the other respondents gave examples. Most people mentioned the new and popular company About You. In addition, banks such as OTP, Tatra Bank, Uni Credit and Allianz were mentioned. Among the answers we can also find famous companies such as Volkswagen, Schindler, MOL, Wertheim, Apple, Dell, IBM, Philips.

In the next question respondents could come across the definition of the employer brand and, based on this and with the help of their previous knowledge, they could decide whether they had ever heard of the employer brand. 57% answered that they had already heard of it or were familiar with it, but there were also those who were not familiar with the employer brand (43%).

We asked our respondents how important they consider certain factors (Figure 1) in building a company's employer brand. These factors can provide different benefits to employees and make their work more pleasant.

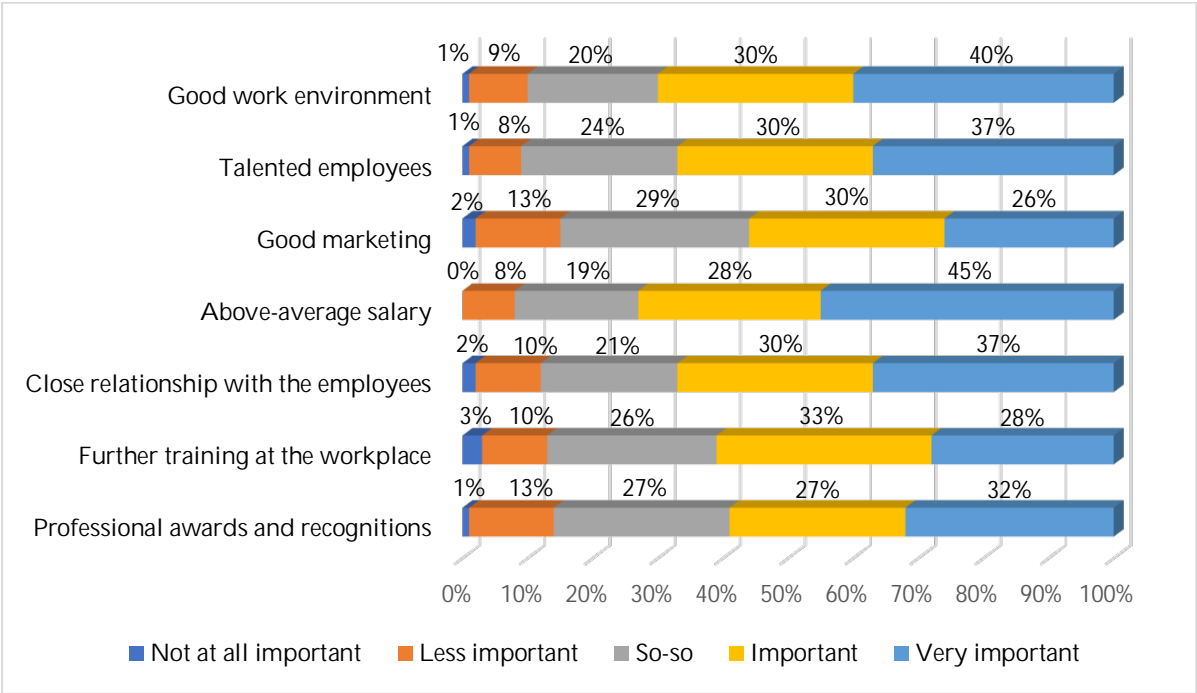


Figure 1. How important do you consider the following factors to be in properly building a company's employer brand?

The respondents found it essential that when building a company's employer brand, the employer rewards the employee with an above-average salary. 45% marked this factor with 5, and there was not a single person who rated it with 1. Relatively many, 40%, marked option 5 for the homely work environment, which can make gray weekdays easier. It is essential for them to create a kind of comfort zone in their work environment. When it comes to attracting talented employees, 37% of our respondents agreed that it is outstanding in properly building a company's employer brand. They also felt the same way about the close relationship

between the company and its employees. This is an essential factor in the operation of a company. A good, harmonious relationship can speed up the work process, improve employees' positive attitude to work, and avoid workplace conflicts. The evaluation of the factor of professional awards and recognitions was also positive. 32% consider this very important when building the employer brand. These recognitions and awards can also stimulate an employee and motivate them to increase their performance. The sum of the number of very important marks in the evaluation of further training at the workplace did not reach 30%. Good marketing received the lowest rate, the very important classification with 26%. Here, 15% of the respondents consider this factor to be more or not at all important in employer branding. Advertisements contribute greatly to the visibility and distribution of a brand. A well-constructed advertisement attracts consumers.

The individuals participating in the research were also asked whether they would prefer to work for a company with a well-established employer brand. 82% of respondents would prefer to work for a company that is more popular. Companies should therefore strive to build a positive employer brand, since, as it turned out from the literature review and research results, a strong employer brand increases recruitment success, employee engagement and retention.

By examining our hypothesis H3, we wanted to answer the question of whether there is a significant difference in terms of the gender of the respondents in whether they would prefer to work in a company with a well-established employer brand. Since both variables are nominal, the Chi-square test must be used to examine their relationship (Table 5).

Table 5. Hypothesis H3 – Chi-Square Test

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.158a	1	.691		
Continuity Correction ^b	.031	1	.860		
Likelihood Ratio	.159	1	.690		
Fisher's Exact Test				.826	.435
Linear-by-Linear Association	.156	1	.692		
N of Valid Cases	150				
a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 9.90.					
b. Computed only for a 2x2 table					

As the result of the test did not show a significant result ($p > 0.05$), we rejected the H3 hypothesis, so the respondent's gender does not affect whether they would prefer to work in a company with a well-established employer brand.

4. Discussion

The aim of our study was to reveal the role of the employer brand in the choice of workplace. To this end, we conducted primary research involving 150 people.

Based on the research results, the job search mostly takes place online. The majority of respondents browse online job portals, internet ads or Facebook groups to find a new job. When choosing a workplace, the main motivating factor is salary, followed by long-term job security, the opportunity to build a career, and then flexible working hours. 70% of respondents consider it important or very important for a company to have a good reputation as an employer. The mean given by women was slightly higher than that of men, however, based on the results of our hypothesis analysis, the difference is not significant. More than half of the respondents consider the brand to be generally important or very important in their lives. In this question, unlike the previous one, the mean of men was higher, but the difference between the sexes is not significant in this case either. During our research, we were also interested in which specific companies have a strong employer brand according to the respondents. The respondents listed companies such as Volkswagen, Schindler, MOL, IBM.

According to their own admission, 57% of the people involved in the research are aware of the concept of the employer brand. In their opinion, the following play an important role in building the employer brand: above-average wages, good work environment, talented employees and building a close relationship with employees. 82% of respondents would prefer to work in a company with a strong employer brand. No significant difference between the sexes could be identified.

According to Kajos and Bálint (2014), not all companies willingly invest money in employer branding, as it usually involves high costs and a long payback. Nevertheless, our research results also support that the factors that are important to the respondents during the job search are also important for them to build a strong employer brand. These can also be found among the elements of the employment value proposition defined by Edwards (2010) and the Randstad (2020) survey.

The limitation of our research was the size of the sample, more detailed analyzes can be performed with a higher number of responses. During our research, we did not conduct an analysis based on sectors, on the basis of which the results could be more specific. Therefore, a possible future direction of the research is to expand the size of the sample and examine how important the employer brand is in a given industry with the help of analyzes broken down by sector.

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