# EMPLOYER'S BRAND: DEVELOPMENT MECHANISM AND DIAGNOSTIC TOOLS

Tsareva Natalia Aleksandrovna<sup>1</sup> Lisitsa Lolita Aleksandrovna<sup>2</sup>

<sup>1</sup>candidate of political sciences, associate professor of the department «Management» <sup>2</sup>MasterVladivostok State University of Economics and Service (690014, Russia, Vladivostok, st. Gogolya, 41, e-mail: natsareva@mail.ru)

#### **ABSTRACT**

There is a tendency in modern labor market conditions: to manage the spheres of selection, motivation, loyalty development and the involvement of employees through the positioning of a company as an employer. Taking into account the specifics of a company activity, employers use different approaches and communication tools for the development and the promotion of an employer brand. An organization image as an employer determines a positive or a negative attitude of potential and already active employees, and plays an important role in their involvement and motivation. The concept of "Employer's value proposition" was studied, the content analysis was conducted, the author's understanding of this term was offered. The essence of internal and external HR-brand is revealed as a strategic asset. Personnel processes have been determined that influence an employer's internal brand. The model of an employer's brand development is proposed. The model is cyclical one and allows to improve an employer's brand gradually using the stages of employer's brand evaluation, comparison, improvement, promotion and control. They performed the research of preferences among doctors, junior and middle medical personnel on the importance of company value proposition components, the knowledge of which will allow companies to increase their value in this segment and improve the areas of activity with potential and working employees. They clarified the direction of an employer's brand for medical organizations in the matter of recruitment and identified the features. They developed the questionnaire "Employer's internal brand" to analyze the employer's brand of medical companies in Primorsky Krai. They studied the specificity of personnel management employed in the provision of medical services. The peculiarities of the employers' market were revealed in the medical sphere of Primorsky Krai.

**Keywords**: employer's brand, employee recruitment, employee retention, employer brand advantages, human resource management, employer's value proposition, employer's brand diagnostics, staff involvement, personnel loyalty

#### **INTRODUCTION**

The changes in the labor market over the past few years dictate new conditions to employers concerning talented and rare expert attraction and retaining. Every year, the competition for workers increases, including the prospective graduates of higher educational institutions. An intensive development of an external labor market establishes new tendencies in a job candidate selection. They increase the level of candidate awareness about the activities of an organization due to the reviews of employees of these organizations or dismissed ones from these organizations on specialized sites and in social networks. Being in such conditions, an employer considers it is necessary to take care of his organization image, where his employees are the main competitive resource and advantage. Many foreign and more and more Russian companies use a variety of tools to form and promote an organization image on the labor market (Tsareva, Kolokolova, 2017).

An employer's work on the improvement of working conditions in his organization involves a systematic study of new approaches to position his company as an attractive workplace. A particular attention is paid to the analysis of direct competitor activities using the benchmarking method. Not all employers pay attention to their brand, personnel strategy, employee selection, adaptation, motivation and involvement system development. The result is the lack of relevant responses to a vacancy, staff turnover above the level recognized as a normal one in this field of activity, a low motivation of employees and low labor results. An organization develops the measures to improve and form an employer's brand on the basis of its scale and available resources. As a company grows, the set of tools used to promote its own brand also changes.

#### METHODOLOGY

In the last years, many researches of scientists focusing on the multiaspect nature of brand essence are devoted to the brand problematics (Moroko, Mark, 2008, Sullivan, 2004, Kucherov, 2009). Every scientist interprets the concept of brand differently. During the definition of the brand concept some proceed from marketing concept, which leads to the confusion in the issue of an employer's brand consideration (Mokina, 2014). Despite this, the use of the marketing component in an employer's brand development is one of the necessary conditions for a successful implementation of the activities promoting brand and an employer's value proposition. During the development of an employer's brand definition, it is necessary to combine the communicative and the structural component of a brand. The term "employer brand" reflecting the essence most fully defines it as "the aggregate of functional, economic and psychological benefits obtained as the result of entering into a certain company and associated with this company" (Ambler, Barrow, 1996, pp. 185-206). An employer's brand is considered as a necessary part of intangible assets and intellectual capital, which are used as a strategic advantage in competition (Martin, 2005, Martin, 2008, Nedoluzhko, 2017). The development of a strong brand is the foundation for a long-term profitability of a company in the future, because, having a strong brand, the company increases its market value. An employer's brand is influenced by such factors as organizational culture, personnel policy and management style of a company. An indirect influence is exerted by a company reputation, the quality of manufactured products and services and the actions of competing firms. K.Bakkhaus and S.Tiko believe that a brand development is a three-step process that includes:

- 1) the creation of a value proposition,
- 2) an employer's external brand, which is determined by such components as a company life cycle, the level and the number of customers, the competitiveness of the products and industry as a whole, the management of a company and the transparency of business processes;
- 3) an employer's internal brand his goal is to develop human resources that will adhere to the values of an organization and the achievement of goals set by an organization (Backhous & Tikoo, 2004, pp. 502-503). The components of an employer's internal brand are the opportunity for professional and personal development, the level of compensation, the smoothness of personnel selection processes, working conditions and organizational culture.

The most optimal variant of an attractive employer brand development sequence is first applied for an internal client, i.e. for working personnel, and during the next stage the work is carried out on company external image (Mansurov 2012, p.47). An employer's brand is realized at all stages of interaction with potential and working employees and is interconnected with the company strategy and corporate culture. Personnel processes, which make an integral part of the employer branding and the tools for their implementation, are the following:

- 1. The process of employee recruitment and selection an optimal choice of information sources for posting a vacancy announcement, the attraction of potential candidates by a company participation in job fairs and an open day holding. Interviewing, job offer (invitation to cooperation).
- 2. Labor process organization the implementation of activities for adaptation, training, motivation, the development of career paths with the use of modern personnel technologies. The development of a new employee book as one of an employer brand elements reduces the stage of acquaintance with a company and allows to reduce the time of psychological adaptation necessary for a new employee (Arnaut, Tsareva, 2017). Adaptation process for an employee occurs through the stage of acquaintance with a company, an effective-orienting and functionally-assimilation stage (Bogdan, 2015). The professional activity of most workers is accompanied by an increased level of stress and leads to emotional burnout. The development of emotional competence among employees leads to the prevention of conflicts and work stress (Tsareva, Erokhin, 2018). The possibility of vertical and horizontal growth within a company allows to preserve and increase the loyalty of personnel (Tekhterenova, 2016). The consultation support for a working employee, the assistance in job crafting intervention become an integral part of work with personnel (Tsareva, 2017). The use of tools for material and non-material motivation is an integral part of an employer's internal brand.
- 3. Termination of work the process of firing an employee must be carried out in several stages, including an exit interview, an outplacement procedure. It is possible to create the Club former employees in social networks. In the future, the information about the state of affairs in a company will be transferred from laid-off workers to the potential candidates of the labor market. If the dismissal process is negative, a former employee will be negative about a company, which will affect his feedback on the work in it.

The management of an employer's internal brand is aimed at the commitment increase among the staff working in a company. An organizational commitment in the conventional sense is divided into identification, loyalty and involvement (Lovakov, 2011). Commitment means the unity of an employee and an organization that has developed over time. With a well-formed brand of an employer, such aspects as the involvement and the loyalty of personnel are realized through the productivity level and work quality improvement. Loyalty is defined as the desire of employees to maintain and share the values of an organization, to contribute to the achievement of organization goals (Yakimova, Tsareva, 2017). Involvement is characterized by an additional emotional attachment of an employee to an organization and the correlation of his own goals with company goals. The development and the improvement of an employer's brand requires financial investments from a company.

The researchers carried out the typology of an employer's brand on various grounds (Corte V.D., Mangia G. 2011. Kucherov 2012). An employer's brand can be classified depending on the effectiveness and the participation of a company management in its development. An employer's brand is the first and the second type that has developed spontaneously - a positive and a negative one. The third and fourth type - a specially developed employer's brand - is a positive and a negative one. The negatively formed brands of an employer require a prompt diagnosis and adjustment. When an employer's brand is developed one of organization goals is achieved - the increase of employees' work efficiency due to the level of loyalty and involvement increase. The ladder of employee involvement proposed by T. Ambler demonstrates the interdependence of employer brand development degree and company employee commitment (Ambler, 1996). The first level of the ladder is a spontaneously developed negative employer's brand, in which the company staff shows a low labor efficiency and is not interested to work further in this company. The second level is the indicator of company work activity beginning on its own brand. Employees are satisfied with the current work in a company, but the degree of loyalty to the company is a low one. The third level shows the interest of employees to the work in this company. The work on the employer's brand reaches the level of employee retention due to a high level of loyalty. The fourth level of the ladder - employees value a company and use it to solve their own goals. The fifth, the highest level, with the creation of a positive employer's brand - the

employees are involved and committed to a company. The coincidence of values helps to solve professional and personal problems, provides a high level of labor productivity.

A number of scientists note this characteristic of an employer's brand, which distinguishes a company from others, as a formed value proposition of an employer. The value proposition is a strategic concept of an HR brand implemented by an employer through the use of a set of communication tools to show the functional, emotional and social benefits and the attributes of an organization to a target audience, taking into account the preferences and the needs of employees. The components of the value proposition are six main blocks - a company, people, work, remuneration, opportunities and working conditions. The value proposition is differentiated by target audiences, i.e. by the categories of potential and working employees and is coordinated with the personnel management strategy and a company strategy as a whole.

The development of an employer's value proposition must include various components present in a company: business scale, a company position in the market, the ambition of strategic goals, the technological level of equipment, the ethical conduct of business, the dependence of income on personal effectiveness, career opportunities and training and working conditions. The value proposition is differentiated into categories to cover the entire target audience: workforce, office staff, top management.

#### RESULTS AND DISCUSSION

An employer's brand promotion and the value proposition assumes the components of an employer's brand effective positioning:

- 1. The developed concept of an employer's brand, including the values and corporate vision.
- 2. The compliance of an external and an internal brand.
- 3. A developed effective strategy of personnel management.
- 4. Employer's brand concept support by senior management and managers.
- 5. A unified focus of a company strategy and an employer's advertised brand.

The priority in this model is the development of a unified brand concept and its characteristics relevant to a target audience. At that, they take into account all organizational factors shared by most of company employees. It is important to support the brand managers and company management. An external and an internal employer's brand should coincide and the promoted values of a company should be supported within an organization, as well as the organization policy towards employees. Regulated intra-organizational rules are observed by employees and supervised by managers. The final stage is the coincidence of an organization strategy vector and promoted employer brand strategy vector.

An employer's brand management is manifested through the use of complex measures. The authors offer a unified model of an employer brand formation mechanism for an organization, regardless of activity field. This mechanism is cyclical, which allows to assess the current state of an employer's brand and compare it with a desired, an ideal state (Figure 1).

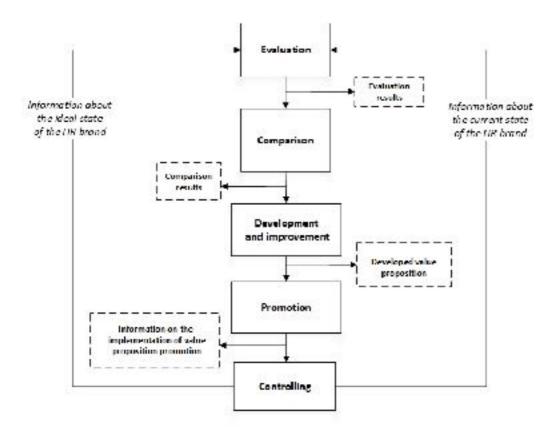


Figure 1. The mechanism of employer's internal brand development

The first step of an internal brand development is a comprehensive assessment, implemented through the audit of an employer's brand current state, the analysis of an external and an internal environment and benchmarking. The result of the assessment is the diagnosis of the value proposition that exists in an organization at the moment, the expectations of the target audience, i.e. potential candidates, and internal customers - the organization employees. The second stage of the mechanism is comparison, where the obtained information about the missing elements of an employer's brand and the value proposition is compared with the desired vision, the problem areas that need to be finalized or formed are identified. The third stage is development and improvement. The current value proposition includes the attributes of a company, thereby improving an employer's brand. The received value proposition is delivered to the target audience via promotional activities and communication tools. This stage is the fourth one. The information on the implementation of the value proposition is used to calculate the economic effectiveness of promotional activities. The controlling phase is necessary to track the progress in the value proposition and the subsequent adjustment. This stage is followed by the stage of evaluation and comparison with an ideal state, thus forming a cycle of measures to improve a brand.

In order to diagnose an employer's brand current status, leading companies often use a wide range of qualitative and quantitative research methods, including:

- 1) the analysis of the labor market, where you can find potential candidates,
- 2) the analysis of attractiveness the things people expect from potential employers,
- 3) the research of an employer's external brand, the way people perceive an organization in the employers' market,
- 4) the research of organization employee involvement,
- 5) benchmarking, the comparison with other leading companies (Mosley, 2007, Mosley, 2009).

The study was conducted in five medical companies in the Primorsky Territory. The common features of an employer's brand development were revealed, conditioned by activity specifics and the requirements for personnel. The main areas of Primorsky medical company work with potential and working employees are divided into such stages as the selection of candidates, the involvement of employees and release. Due to the appearance of electronic resources the modern process of employee search and selection has changed the level of organization activity awareness in the labor market significantly. The main information on open vacancies is placed on Farpost.ru website and the specialized work site HeadHunter.ru. Considering the text of announcements about company vacancies, one can find a basic set of the most frequently used clichés to describe a company: "friendly collective", "the employment according to RF LC", "full social package" and "wages without delays". For potential candidates considering possible companies as their future place of work, these descriptions are not attractive, since they are standard, and this in its turn does not benefit the brand of the employer's company. The feature of expert selection with a higher or secondary special medical education is their deficit in the labor market. The medical personnel market is a closed system, and it is not always possible to implement the process of medical personnel search and attraction using commonly accepted tools. Having considered the experience of necessary expert attraction by medical companies, a conclusion was made in three main areas within the employer's brand field: the use of recommendatory recruiting from the experts in the relevant field, the interaction with medical universities, and the use of recruitment portals. The main percentage of applicants comes to this or that medical institution through the recommendations of acquaintances, thereby confirming the need to form and manage the employer's internal brand. The management of the material aspect through the employer's brand is no less important. The presence of competitive wages is an attractive advantage of a modern medical company.

In the process of the study, a candidate profile was developed, which is the part of the target audience of most commercial medical organizations. An interview was conducted with the candidates for the position of a doctor or junior and paramedical personnel concerning the main criteria by which a candidate chooses a particular job. Using the method of ranking, the most significant criterion is a company stability, which is determined by company market presence duration, its life-cycle stages and company strategic plans, a strong brand and a good reputation. In the second place for the majority of candidates is occupied by a competitive salary, an official employment and material privileges, the payment of certification cycles and additional training. The third and the fourth place are the closeness to the house and the schedule of work. The fifth place is occupied by the rest of working conditions. Developing a value proposition in the medical labor market, it is necessary to position a company as a stable and a comfortable workplace, with the possibility of professional and personal growth in addition to compensation for training and a high salary. The placement of announcements about vacant positions on specialized medical and recruiting sites, the use of recommendatory recruiting opportunities will provide a necessary flow of candidates.

The study was conducted at five medical companies of the Primorsky Krai on the questionnaire "Employer's internal brand", developed by the authors. The questionnaire included seven blocks of questions, which allowed to determine the state of certain components of an employer's internal brand (Table 1).

Table 1 - Results of the survey "Employer's internal brand"

Components of employer's internal	Average value in a company					Possible maximum	Standard deviations	Minimum of actual	Maximum of actual
brand	1	2	3	4	5			deviations	deviations
Corporate vision and values	4,4	4,7	4,5	4,1	4,8	5	0,273	0,1	0,7
Communications	3,7	4,1	3,5	4,2	4,3	5	0,343	0,1	0,7
Working conditions	4,1	4,3	4,2	3,9	4,4	5	0,192	0,1	0,6

Opportunities for development and growth	4,2	3,9	3,7	3,9	4,2	5	0,216	0,1	0,4
Management professionalism	3,9	4,2	3,7	4,0	4,4	5	0,270	0,1	0,7
Material compensation	3,5	3,7	3,6	3,5	3,7	5	0,100	0,1	0,2
General perception of a company	3,9	4,1	3,7	4,0	4,2	5	0,192	0,1	0,5

The data analysis allows to reveal the general picture of the employer's brand at medical organizations in the Primorsky Krai - there is a division of company values by an employee. At that an employee does not see the possibility of professional growth and is not satisfied with material compensation, which affects the general perception of a company as an employer. This picture is observed in Russia as a whole, which is confirmed by the research conducted by HeadHunter, which results in the rating of employers of Russia. In 2017, the companies operating in the medical field occupied 32nd, 37th and 75th place in the ranking of the best employers (Russian employers rating, 2017).

#### **CONCLUSION**

In the conditions of a constant struggle for highly qualified personnel, many companies experience a shortage of key experts and managers. One of the reasons for the shortage of employees is an employer's undeveloped brand, the lack or the use of outdated methods of employee recruiting, adapting and training. The question of the need to attract the best experts and retain the working valuable staff had passed into the practical plane a long time ago. Taking into account the changes that have taken place in the last few years, it is possible to conclude that the traditional employer's market is being transformed into an employee's market, in which the choice is given to a candidate. A high demand for experts in many specialties and the shortage in the labor market implies the systematic use of the employer's brand tools, including an effective value proposition in conjunction with work on a company internal brand and personnel policy. The companies focused on long-term strategies form a competitive employer brand on the market.

An internal employer's brand is aimed at the development of loyalty and an internal client involvement - the employees working in a company. The conduct of regular interviews for job satisfaction among staff will allow you to respond to possible management problems quickly and improve the socio-psychological climate. More and more organizations understand that their future success may depend on the way they are able to attract, hire and retain employees with necessary qualifications. In order to achieve the goals of a company, management should treat an employer's branding as the part of human resource management strategy. The attractiveness of a company is confirmed by the attraction of a sufficient number of employees, including the talents, willing to make efforts to increase the productivity and innovation of a company. The companies with a good employer's brand develop their self-confidence and a sense of pride among an employee for belonging to an organization. This is the key to success in the current economic situation.

#### **REFRENCES**

- 1. Ambler T., Barrow S. The Employer Brand // Journal of Brand Management. 1996. Vol. 4. №3. pp. 185–206.
- 2. Arnaut M.N., Tsareva N.A. Economic and adaptation mechanism in human resource management // Azimuth of scientific research: economics and administration. 2017. V.6. № 3 (20). pp.35-38
- 3. Backhous K., Tikoo, S. Conceptualizing and researching employer branding //Career Development International. 2004. 9 (4/5)
- 4. Bogdan N.N., Dikusarova M.Yu. Theoretical-applied aspects of personnel management in small and medium business. Coll. monograph / Vladivostok. VSUES Publishing House. 2015. 240 p.
- 5. Corte V.D., Mangia G., Micera R., Zamparelli G. Strategic Employer Branding: Brand and Image

- Management as a Tool of Attractiveness for Talented Capital // China-USA Business Review, December 2011, Vol. 10, No. 12, pp.1231-1252.
- 6. Kucherov D.G., Zavyalova E.K. Employer's brand in organization human resource management system // Herald of SPbSU 2012. Series Management. Issue 4. pp. 22-48.
- 7. Kucherov D.G. The employer's brand: the field of marketing or human resource management? // Bulletin of St. Petersburg State University 2009. Series 8. Issue 3 pp. 98-120.
- 8. Lovakov A.V., Lipatov S.A. Organizational Identification and Personnel Commitment: Similarity and Difference // Psychology. Journal of the Higher School of Economics, 2011. V. 8, No. 2. pp. 69-80.
- 9. Mansurov R.E. HR-branding. The ways of staff efficiency improvement. St. Petersburg: BHV-Petersburg, 2012. 227 p.
- 10. Martin G., Beaumont P., Doig R. and Pate J. (2005) 'Branding: a new performance discourse for HR?' European Management Journal 23(1): 76-88
- 11. Martin G. Employer Branding Time for Some Long and «Hard» Reflections? Employer branding. The latest fad or the future of HR? London: Chartered Institute of Personnel and Development. 2008.
- 12. Mokina S. Place and Role of Employer Brand in The Structure of Corporate Brand, Economics & Sociology, Vol. 7, No 2, 2014, pp. 136-148.
- 13. Moroko L., Mark D.U. (2008). Characteristics of successful employer brands. Journal of Brand Management, 16(3), 160-175.
- 14. Mosley R.W. Customer experience, organisational culture and the employer brand // Journal of Brand Management November 2007, Volume 15, Issue 2, pp 123–134
- 15. Mosley, R. Employer Brand: The Performance Driver No Business Can Ignore. A Shoulders of Giants Publication. 2009.P.4-15
- 16. Nedoluzhko O.V. Intellectual capital of the organization: system of the internal purposes and a contradictions between them // Azimuth of scientific research: economics and administration. 2017. T.6 № 1 (18). Pp. 135-139
- 17. Sullivan J. The 8 Elements of a Successful Employment Brand. ER Daily. February 23, 2004 URL: http://www.ere.net/2004/02/23/the-8-elements-of-a-successful-employment-brand
- 18. Tekhterekova N.S., Gnedikh N.N., Lyakhov A.P. The features of staff professional career management at a medical organization. // Science Magazine. 2016 No. 5 (6). pp. 71-73.
- 19. Russian employers rating 2017 [Electronic resource] Access mode: http://hr-media.ru/rejting-rabotodatelej-rossii-2016/
- 20. Tsareva N. A. Innovative approach to human resources management: the concept of "job crafting intervention" // Azimuth of scientific research: economics and administration. 2017. V.6. № 2 (19). Pp. 295-298.
- 21. Tsareva N.A., Erokhin A.K. Emotional competency of the employee and its assessment: Rotterdam scale of emotional intelligence (REIS) // Azimuth of scientific research: Pedagogy and Psychology. 2018. V.7. № 2 (23). Pp. 322-324
- 22. Tsareva N.A., Kolokolova L.A. Innovative approach to management of human resources: "employer brand" concept // Azimuth of scientific research: economics and administration. 2017. V.6. № 2 (19). Pp.

20	7	1	1	1
29	<i>l</i> -	. Z	У	4

23. Yakimova Z.V. Tsareva N.A. Mechanisms of development of valuable human resource management // Azimuth of scientific research: economics and administration. 2017. V.6. № 4 (21). Pp.294-298