The Practical Aspects of Employer Branding in the Light of the Findings of Qualitative Primary Research

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ABSTRACT

Objective: Our study presents the partial results of the research with the Z generation, which aims to get acquainted with and explore the specific features of selecting Human Resources Professionals (HR) in order to increase employment, especially through the applicability of the tools of employee branding. Our main objective is to explore the tools that can be implemented in the branding process for the potential employees of the Z generation and to demonstrate the practical applicability of these elements to improve investment. In addition, we aim to explore the generational-specific characteristics of investments, what challenges should be addressed today by a HR specialist, what solutions and practices are used in relation to the relevant response to these challenges.

Methodology: In this publication, we present the partial results of a research project, supported by the New National Excellence Program of the Ministry of Human Resources (ÚNKP-18-3-III). In the first phase of the research project, we conducted a qualitative examination (B2C, B2B), in which we conducted thirty mini-focus interviews (using semi-structured interview guides). The subjects were recruited using a snowball sampling method, the filtering condition was the age of the subject. Only the subjects remained in the sample who, according to their age, belong to the Z generation.

Findings: As a result of this research, we can see what the HR specialists interviewed think the benefits of employer branding are if they are able to act with a conscious and strategic approach to HR activities. Investigating consumer attitudes related to investments - despite the recognition of their significance - is less well-researched, and articles of empirical research also appear in international literature today. In order to fill the gap, we would like to contribute to Hungarian studies.

Value Added: In our view, the results can provide useful information to companies who have similar difficulties in dealing with recruitment challenges and generational differences. In this paper we present the qualitative partial results of primary research. Both secondary and primary research show that a key factor for successful companies is the existence of a credible, internal employer branding strategy that continuously reflects on the labour market challenges. It is important that the employer's brand - just like a product / service brand – should be well-positioned with clear values and messages. The other important aspect is the coordination of the activities of the individual groups and areas, because marketing, PR and HR are the builders and representatives of the same brand. You can then be successful and credible with your employer branding if all the details – similarly to a puzzle - are in place.

Recommendations: Without the strategic approach, the directions, the goals, and the alignment of the activities are not identified, which is reflected in inefficiencies. The employer's brand has a well-positioned value, message and mission, which plays an especially important role in increasing the loyalty of young people (Y and Z generations).
Key words: employer branding, Z generation, qualitative research, increasing employment

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1. The theoretical background of the topic

During the examination of the current Hungarian labour market, it can be seen that the quantitative and qualitative composition of the workforce is becoming more and more problematic. This problem emerges as an absolute obstacle to corporate growth and the development of investments. The recovery of investments has an absolute positive impact on the economy. As during the economic crisis in 2008, the downturn in the investment sector had a direct negative impact on the performance of the economies, the currently perceptible positive change has the same effect, but with the opposite sign. This kind of cyclical sensitivity makes us think of the components of the investment sector, such as exploring labour market problems, getting acquainted with the relationship between choice and brand building, and identifying generation-specific changes in unemployment and structural rearrangement. The labour market is undergoing a lot of changes; just to mention a few: there is shortage of labour, different generations live side by side and how to motivate them is quite different, and, also, competences of the employees are changing (Cseh-Papp & Varga, 2018; Cseh-Papp et al., 2017; Varga et al., 2016; Varga et al., 2015; Bárdos et al., 2014).

Our research focuses on the extent to which and how the factors revealed affect the labour market demand of the investment sector, what changes they make in terms of age-related differences between generations, and what are the factors that can help reduce the frictions of different generations in a work area. Different age groups, different preferences and different corporate strategies are required in the selection process. The shortage of labour and, in particular, the shortage of skilled workers has an impact on
the feasibility of investments, taking into account the wage inflation that has begun, which means that the planned budget is no longer sustainable.

Our paper concentrates on the labour market situation, selection and the Z generation.

Economic policy has also recognized the difficulties of labour migration and lack of qualification in the recruitment process of companies, and has taken a number of measures, such as the raising of the minimum wage, the modification of public employment rules, and the stimulation of domestic mobilization. The employment rate of those aged between 15 and 64 from July 2017 to September 2017 increased to 68.7%. There is also some improvement in unemployment over the past year. According to the International Labour Organization, the Hungarian unemployment rate in the second quarter of 2017 amounted to 203.1 people, which has declined significantly since the crisis. Between June and August 2018, the average employment rate for this age group was 4 million 484 thousand and the employment rate rose to 69.4%. It is interesting to look at the tendency when the number of employees who are public employees has increased while the number of those who work abroad has decreased according to the CSO 2018 June-August Flash Report (www.ksh.hu, 2018).

Overall, the number of Hungarian employees showed a positive trend in 2017 and 2018 and could be increased with the aforementioned government measures (Europa.eu, 2017).

1.1. The specific characteristics and consumer features of Generation Z

The generation of Facebook has grown into a fast-paced, continuously present, ubiquitous community. If Generation Y works on three monitors at the same time, Z on five. They have much more partners to co-operate with and are able to communicate much more quickly than any generation before. A time spent on more than one relationship is less, and attention is
being rather paid to the communities. Then, we can best match the needs of the new generation if the activities we want them to be involved are made more social. Not the way that is social to us, but the way it is to them. Communication on the social network is made up of well-fictional slogans and pictorial worlds. Few text, many images, preferably moving and dynamic. If you like, we communicate in advertising. Therefore, you must have clear, personal, and credible messages to connect with Z generation in high quality. Technological separation is bidirectional, so it interferes with young people as much as less young people. To connect, you need to provide security for each other; a friendly tone and acceptance is required. It may have never been so necessary to raise awareness of the intergenerational relationship as it is now for Generation Z. (Tari, 2011).

While one of the young people’s favourite pastimes was previously “hanging” in the shopping centres, it was a survey of last year that it has changed by now. The turnover in large shopping centres, which was generated by secondary school students, decreased by thirty percent, and therefore more and more shopping malls are forced to close – as was revealed by a survey of US Quartz 2017, with 7500 teenagers. Young people prefer to buy online and chat in cafes. According to the American youth, spending time in the mall is not quite as popular as shopping. Instead, they get into a restaurant, drink coffee, talk, and spend so-called quality time with their friends. It is clear from the survey that these young people order online instead of conventional shopping. According to recent surveys, web shops have a growing number of new registered customers in their twenties. This tendency also reached Hungary, but the young people of Hungary, if they can and have their home near shopping centre, still enjoy spending their free time there. It is a thought-provoking fact that there is a more frequent use of drugs among young people frequenting shopping centres on average, as compared to their peers, while the young people’s lifestyle and mentality in the shopping centres are likely to be trend setter to a great extent. The patterns also contain experiences and behaviour skills, the need for mood
conditions that young people believe can receive through drugs, or take as a value and be available by influencing this stratum. If so, the mall may also be a venue for drug prevention, and generally a terrain of mental health assistance, where there is potential to represent healthier values and patterns on the spot, or to counteract negative patterns there. As a meeting place and a venue for socialising the shopping centre can also represent healthy self-reflexive effects and provide consultancy options (Laszlo, 2017).

In general, about 10% of the total area of the shopping centres gives space for recreational activities. Many people associate the shopping centre with the city, which is considered one of the common characteristics of modern metropolitan life and the phenomenon of entertainment. The young generation needs fun, experience, tasting, touching, amazement, admiration, a thrill, so in one word: entertainment.

Noteworthy, for example, is the research result according to which the more frequently a young person goes out to visit a shopping centre, the more likely they are to report depressive symptoms, and those frequenting shopping centres on a regular daily basis can be characterised by the lowest self-esteem. In this respect, we also consider it important to initiate the opening of alternative centres in the shopping centres, as they can help to tackle effective environmental coping, for example, tackling drug-related problems is the best where the person with the problem feels comfortable. Research results show that the youngsters visiting the shopping centre would enter for a cosy, relaxed, calm, central but yet slightly secluded place, where there is no discerms and where young employees are working.

Within the framework of the Hungarian Youth research, eight thousand young people aged between 15 and 29 commented on their family making plan, the possibility for the labour market, their plans for further learning and consumer habits. The recreational spaces and activities of the young people have not changed fundamentally, as still they are addicted to the screen, the attendance of cultural institutions is insignificant. Young people continue to spend their time after fulfilling their obligations at home and at
their friends, but it is worth mentioning here that a large group of respondents spend their leisure time with sports.

Around a quarter of the young people ‘do nothing special’ during the week or at the weekend. This state is true primarily in the capital city, where about 30 percent stated to do nothing special on weekdays and 26 percent at weekends, respectively.

The existence of a company of friends is basic and decisive. The 2016 data shows that the younger age group the respondent is, the more time they spend with friends, and the more friends they have.

In 2016, 14 percent of the Hungarian youth did not have friends or company with which they could often spend their free time. This ratio in 2012 reached 24 percent, in 2008 13 percent. Among the lonely young people, people living in the rural communities are over-represented. It was an important aspect to analyse young people’s relation to culture and cultural consumption since the large-scale research on the young starting in 2000. Similarly to the previous investigations, young people were asked again about how many traditional and electronic books (e-books) they have in their homes.

In 2004, the young people interviewed reported an average of 344 books. 2008 in the households of young people interviewed had an average of 265 books, and 175 in 2012. In 2016, the number of traditional books further decreased, with an average of 172 pieces reported by young people. Only 12% of households had more than 300 books, have one book, and 6 percent of young people have no books in their homes (in 2004 this was 4 percent).

In 2012 the average number of e-books was 4, which doubled by 2016. These types of books are most popular among the 20-to 24-year-olds (Laszlo, 2017).

1.2. The connection between labour market and employer branding

Conscious, well-organized and coordinated employer branding is an effective strategic tool to give responses to labour market challenges. Our empirical
experience is that when it comes to job advertisements, more and more companies are turning to a typical branding tool used in marketing for decades, which can help distinguish the job position, place of work, brand positioning the employer as a brand and make them more attractive.

The labour market is changing in the world as well, and more and more important aspects such as work and life balance, a stress-free working environment and an inspirational workplace atmosphere are becoming increasingly important.

Employer Branding plays an increasingly important role in the lives of many companies, including Hungary. These companies are increasingly responding to employee needs and adapting their brand to this expectation. Employer branding means both external and internal branding simultaneously, and their combined presence provides tangible results.

Changes in internal marketing have been observed in the major segments of the marketing in recent years, which have an outstanding role to play. Employer brand is the image created by the company, which each institution possesses, and it affects the composition and qualifications of employees and candidates. This is a well-established employer brand for particular companies, which is a tangible competitive advantage in gaining talented labour force. However, there are a number of examples where it just assists a recruiting process or intensifies the effectiveness of internal communication.

Employer branding is a more complex concept: the company and the employee work closely with the organization and both the hardship and the success are directly or indirectly borne together.

The key role of employer branding is to provide a logical framework for management, which simplifies and focuses on priorities, improves productivity, improves recruitment and other HR processes, promotes employee retention and commitment. From this point of view, it is important to have the right Employer Branding strategy, which communicates well with new employees, both about the employees and the company. The potential worker thus sees a real picture that attracts a company that is right for him.
and thus makes a job-choice decision easier, and companies can find the valuable workforce who can be a useful member of the selected workplace in the long run (Hrportal.hu, 2009; Profession.hu, 2018).

HR specialists report that the real volume and/or quality of the workforce is becoming more and more problematic. So, it is not surprising that employers are becoming more and more concerned about how to find and retain good workforce. One of the reasons for labour shortage is that there are fewer new entrants in the domestic labour market: 15 years ago, nearly 189,000 young people aged 24 were entering the labour market, their numbers did not reach 128,000 by 2015, according to CSO data. The other main reason is that many people go abroad for better pay. It also makes recruitment more difficult, because in many cases employers are most in need of a well-trained and experienced team (hrportal.hu, 2017).

Competitive pay is not enough, as there are many demotivating factors in a company, for example over-regulated corporate bureaucracy, inappropriate office temperature, and lack of individual improvement. Benefits are increasingly being incorporated into the basic salary (Csiszárik, 2016).

Direct head-hunter methods come in the forefront, and online data upload is put in the background. Wage tensions are more and more common. New staff have to be offered higher salaries, which creates unpleasant tensions between new entrants and those already at work (Matthias, 2017; Kópházi, 2017).

Selecting and retaining talents play an important role in HR policy. According to Joseph Renzulli’s “three-circle talent model,” 3 basic factors determine talent: above average ability, creativity, and task commitment. The Czeizel model includes four mental abilities (general intellectual, specific mental, creativity and motivation). Talent Management is a fairly popular research area within human resource management. The prerequisite for the management is 4 basic elements of planning, organization, management, and controlling. These factors play an important role in the recruitment, selection, retention and, last but not least, motivation of the workforce. Strategic planning is a key part of maintaining long-term co-operation. There is a need for a well-established
and regularly supervised employer brand that can simultaneously involve and retain talented employees (Borgulya & Konczosné, 2017; Giger, 2006).

In order to be able to build an employer’s brand efficiently and effectively from a strategic point of view, we need to know the brand’s values as well as what the employees are looking for to make this brand appealing. Therefore, the focus of our research was taken on the members of the Z generation as the potential target group of prospective employee / consumer needs, values and characteristics.

2. The methodological background of the research

In this publication, we present the partial results of a research project, supported by the New National Excellence Program of the Ministry of Human Resources (ÚNKP-18-3-III).

In the framework of the project we analysed the factors influencing the career and job choice of the Z generation through qualitative and quantitative techniques in the context of consumer and expert surveys. We also reviewed the opinions of the HR specialists on the employer’s side in the framework of expert interviews. Our goal is to provide points to help employers focusing on Z generation to effectively target a target group-oriented employer branding strategy, as well as to examine employer expectations and selection methods and compare the differences between them.

In the first phase of the research project, we conducted a qualitative examination (B2C, B2B), in which we conducted thirty mini-focus interviews (using semi-structured interview guides). The subjects were recruited using a snowball sampling method, the filtering condition was the age of the subject. Only the subjects remained in the sample who, according to their age, belong to the Z generation.

Up to 6 people could participate in one focus group, according to which the group composition was heterogeneous throughout the research, in order
to collide and compare opinions. A recording of the interviews was made. The results were processed using a traditional content analysis methodology.

The first qualitative (B2C) phase was to explore, to outline hypotheses and to prepare for the second step, i.e. quantitative research.

The main research questions of the qualitative phase were as follows.

- What does the generation think about career, success, and the preferred and disadvantaged workplace?
- What does their career, success in work mean, and what factors help them achieve their individual goals most effectively?
- How can the career goals that they formulate be achieved?
- What do they expect from a good job? Which employer’s activities and programmes may be most target group-specific for them?
- What kind of generation problems do the members of the sample perceive? How open are they to work with other generations, what are its advantages and disadvantages?

In the present research, we also conducted 7 expert interviews with representatives of the employers’ side in the framework of another qualitative survey with the help of a semi-structured interview.

- Our goal was to get to know the challenges and difficulties faced by practitioners in the labour market and what they experience regarding generational differences.
- What are the methods applied to address the Z generation?
- Are there HR, HR communication techniques, activities, campaigns that were judged effective on the basis of their empirical experience and would they recommend it to other employers wishing to open up to the Z generation?

In the research, we were interviewing automotive suppliers, manufacturing and development companies - HR managers of large and multinational companies and conducting interviews with HR specialists. The recruiting of the subjects was also done with the snowball method in this case. All five companies were located in Hungary but were foreign-owned: two operate in
the capital city, one in Békés, one in Csongrád and one in Veszprém County. Of the companies participating in the research, the smallest number of people was 300, the largest 3700 employees full time.

3. Results

Below, we summarize the results of the qualitative research and compare the revealed characteristics of the employee side (Z generation) in the light of the previous X and Y age groups and then present the expectations and experiences gained through the interviews of HR specialists in the selection of the employees.

3.1 Results of the focus group examinations

The results of our primary research in focus groups confirm that the expectations and preferences of the Z generation differ from expectations, habits, and job attitudes of the currently employed (X, Y) population.

The Z generation, also known as “super now”, is the true multitasking generation. They are acquainted with the different info communication tools because they are familiar with them and from their younger age they are active users, so they can easily choose the ideal tools for their individual needs. For them, online chat is every day, which is constantly changing, but they follow the latest technical options. They were born into this life-style, which is why they are also termed as “digital natives”.

Internet communication is mentioned by the American psychiatrist Dr. Elias Aboujaoude as a netspeak, where we often communicate through online space. These emoticons, which serve to express our emotions, take on the place of text messages, thus reducing the expression of our inner thoughts and emotions.

They want everything as soon as possible, so they use the aforementioned signals, and the text of their e-mail messages is getting shorter for speed.
Based on the replies of the subjects of the sample, in the case of the Z generation, the individual goals, individualism, the ability to pursue their own career and career paths are clearly appreciated. This is overlooked by the older generation who give priority to reliability, stability and predictability. That is why HR has been in marketing for a long time because it is used for differentiation: that is, the target groups, in this case, the exploration of the needs of the employees and the solutions that conform to it. That is why high standardization will no longer be effective in addressing and retaining workers with increasingly heterogeneous needs.

Contrary to earlier generations - who cannot show such sharp differences – they have different thinking, communication skills, and attitude to work. Their usefulness at work is creativity, robustness, fast phishing, and virtual skills. They are faster than the generations ahead, so they are a benefit to companies if the differences between the ages are handled. They need good working atmosphere, playful solutions and are really open to new ideas. Gamification offers playful solutions that target the talented Z generation. A generation longing for experiences is theirs who cannot withstand ongoing routine activities at the workplace, either. They are everyday explorers in whom there is a desire to be on the move day by day. This generation has innovative solutions for companies that can be used jointly with employer branding (Kis, 2016; Kovács, 2017).

Young people love and need interactivity and the use of modern technologies. Augmented reality is a means to catch the Z generation. One example of this was the introduction of the so-called “magic view glasses” to the next generation, enabling a virtual walk through the company. “These 360° images can be downloaded with an online application and the visitor accesses the virtual scene of the company using the glasses”.

Of course, it should also be taken into account that if we recruit manual workers from the X generation, the composition of the motivation toolbox differs from that of the intellectual ones. For intellectuals, career path and the possibility of achieving individual success undeniably dominate, but
the focus of manual workers is still on pay, stability and benefits. For them, individual goals and career paths are less motivating, but we must also say that over-evaluating individual goals over the older generation by the young generation, even among manual workers, is striking.

3.2 Results of the specialist interviews

In the current labour market environment, not only finding the right workforce, but keeping it as well as retaining its motivation is challenging for professionals. Keeping the workforce is an essential issue in terms of employer branding, since if the fluctuation is lower, it also qualifies as professionals and as a factor in increasing the brand value in the selection process means a kind of “quality workplace” in communication. This is an absolute positive message for the future employee, so one of the best recruitments for professionals. Workers are more attracted to the workplace where they meet with a satisfied workforce.

Typically, more prepared workers ask questions at job interviews.

- What is labour migration like and
- what about paid sick leave?

These considerations clearly reflect how long-term planning can be done in a given place, how demanding the job is for the employee.

- Experts have clearly emphasized that, in current market conditions, the consistency of internal and external communication is even more appreciated so
- we must not forget the encouragement of the current employees, in recruiting new ones.

That is why we have looked separately at what they do for the employees to create a better employee-employer relationship.

- All the experts said that family days are important for employees than corporate events, which provide an excellent opportunity for workers’ family members to get an insight into what they are doing, and where the wife, husband, father or mother works.
• Some jobs do not invite only active workers to such events, but also mothers on maternity leave, with the aim of having a bond between the workplace and them.
• Several companies invite their colleagues in retirement to such events as they are credibly able to report their experiences to younger colleagues with a perspective, showing an example to current staff.
   Just as every brand, employer branding is built from the inside, feeds from the inside, so this is a reason of its credibility.
• Current employees are the best messengers, ambassadors of a company. It is far more credible if someone speaks positively of a job who works there as the manager who wants them to work there.
• In connection with corporate events, family days have been mentioned several times, the Christmas banquets, the regular team builders, whose purpose is to strengthen the community, team spirit and ease the internal tension.
   Some of the sample members mentioned the following in connection with the greater consistency of internal communication and internal processes:
   • organizational development, efforts to optimize corporate processes.
   These are complex and lengthy processes, cost, time and labour-intensive projects, but HR experts say they can do a lot to help simplify internal business systems and increase their efficiency. However, the necessity and the expected benefits of these developments must always be explained to the staff in every case.
• Without the necessary education, such projects will also have less efficiency; internal acceptance and support are key factors for such process development provisions, as well.
   There were four HR managers among the interviewed subjects where the manual workers were dominant. They were unanimously in the opinion that
• in the internal communication toolkit, besides the generational differences, attention must be paid to the different information needs of the intellectual and physical resources as well as the fact that a physical worker and an office worker have different possibilities to read internal news. “We
pay particular attention to using both online and offline communication channels to get information both for mental and physical resources. In addition, personal consultations are also available for staff (HR reception hours, employee briefing, one to one meetings).”

Some of the interviewed HR experts highlighted:

- supporting the career path, ensuring the opportunity for individual development as a good workplace atmosphere, as these considerations contribute to employee satisfaction.
- The respondents also agreed that it is important to ensure adequate flow of information to provide the staff with the information: they need to know their goals, competences and responsibilities.
- They pay attention to make their appearances fit for the virtual, dynamic, and innovative needs of the Y and Z generation, using gamification and an interactive communication style.

Several interviewees have stressed that a number of methods are used to manage the internal brand professionally so that they can meet all the needs and expectations. To this end, they provide their employees with business phones, home-based work, free health care, and social responsibility. Some people mentioned lack of internal communication when there is insufficient coordination, cooperation between the HR and marketing communication activities of the outside target group.

Our experts agreed and highlighted the importance of CSR in employer branding. Similarly, earlier research shows that for the Z generation it is really important to work in a company whose value system and corporate mission fit into their value system (Fodor & Jäckel, 2018).

4. Conclusions

In recruiting and addressing potential workforce, due to generational differences, a number of well-proven tools have to be redefined or re-interpreted according to the members of the sample.
Job advertisements, the job message and its function must be matched with the changed media and information consumption of the younger generation. These factors are especially important for the Z generation. According to the results of a previous research focusing on the choice of jobs by the Z-generation, the feasibility of individual career prospects and the potential for professional development are similarly important factors in choosing a job than pay (Fodor et al., 2017). According to experts, the emergence of the Z-generation has brought a dramatic change in the world of work, which means a number of advantages and disadvantages.

HR experts did not evaluate the effectiveness of traditional career days for prospective employees as clearly positive. There have been some who think that good forums have these personal meetings and prestige values, but the opportunity for personal meeting with young people and prospective employees is certainly a good thing. However, it is becoming more and more difficult to attract young people to a stand, what should a lot of exhibitors give them to distinguish themselves and become appealing to young people. It is clear that classic, static elements are no longer sufficient today.

Based on the primary research it can be said that the subjects of the sample see a successful solution to market challenges in mutual cooperation. In this context, the interests of companies representing educational institutions, professional organizations and the employers need to be coordinated.

It is interesting that, on the road to the X generation, representatives of the corporate sector have highlighted the role in education. In a rapidly evolving and increasingly specialized technological environment, companies need to take an active role in education so that they can get in touch with the potential targeting group from those specially interested. As a result of trends in the industry, a significant part of the specific jobs will be transformed in the future, and HR professionals will have to prepare their own colleagues. This is especially suitable for internal trainings, further training and specialization.

Generational differences are also challenging. From the employer’s point of view, adaptation to different generational needs requires flexibility. It re-
quires recognition of the HR and HR communication tools to be tailored to the specific workforce.

Overall, both secondary and primary research show that it is very important, and, because of the current competition, it is essential to create a positive workplace atmosphere that increases satisfaction and thus productivity among employees. Good working atmosphere is closely linked with the good employer brand. A key factor for successful companies is the existence of a credible, internal employer branding strategy that continuously reflects on the labour market challenges. It is important that the employer’s brand - just like a product / service brand – should be well-positioned with clear values and messages. The other important aspect is the coordination of the activities of the individual groups and areas, because marketing, PR and HR are the builders and representatives of the same brand. You can then be successful and credible with your employer branding if all the details – similarly to a puzzle - are in place. Without the strategic approach, the directions, the goals, and the alignment of the activities are not identified, which is reflected in inefficiencies.

The employer’s brand has a well-positioned value, message and mission, which plays an especially important role in increasing the loyalty of young people (Y and Z generations). So, it is not surprising that we are seeing more and more positive examples of successful, trendy employer branding. In our opinion the significance and role of these activities will continue to grow in the coming years, in the intense battle for talents.
References


