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## **TOOLS OF EMPLOYER BRANDING IMPLEMENTED BY SELECTED BANKS**

### **Introduction**

Employer branding (EB) has become a necessity and not just an option for certain companies. An increasing staff turnover is currently becoming an issue in the bank sector in Poland. There is a shortage of specialists in finance and banking who would like to decide on their career paths in this sector on the long run. Thus, it is crucial that an adequate employer image should be developed in order to acquire potentially best employees.

The aim of the article is to present research results regarding the external tools of EB that are applied by the selected three banks in Poland.

### **1. The concept of employer branding**

The term *employer branding* (EB) is widely used in the field of HRM and the concept constitutes a tool that is used to select new employees for particular positions and to motivate the staff. The concept was defined in the literature of the subject for the first time in 1996 by S.Barrow (“the package of functional, economic and psychological benefits provided by employment and identified with the employing company”<sup>1</sup>) and since then it has become the object of theoretical and practical investigations. Companies strive at finding their own way to EB.

The main Polish work on the subject (by M.Kozłowski) defines EB as all activities conducted by a company and directed towards the present and future employees that aim at developing company’s image as an attractive employer and supporting its strategic business objectives<sup>2</sup>. K.Szczepański refers to A.Mayo’s definition where EB includes everything that is communicated (purposefully or not) to every present or future employee<sup>3</sup>. A wide range of

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<sup>1</sup> T. Ambler, S. Barrow, *The Employer Brand*, Journal of Brand Management 1996 Vol.4 No. 3, pp. 185 – 206.

<sup>2</sup> M. Kozłowski, *Employer branding budowanie wizerunku pracodawcy krok po kroku*, Wolters Kluwer business, Warszawa 2012, p. 13.

<sup>3</sup> A. Mayo, *The Human Value of the Enterprise*, Nicholas Brealey Publishing, London–Boston 2001, p. 123 [in:]: K. Szczepański, *Kształtowanie wizerunku (employer branding) jako sposób zwiększenia atrakcyjności pracodawcy w warunkach polskich*, ZN Politechniki Poznańskiej No 61 Organizacja i Zarządzanie 2013, p.164.

definitions is also provided by the publication of M. Kantowicz-Gdańska. Here are the two that are worth presenting<sup>4</sup>:

- employer branding represents organisations's efforts to communicate to internal and external audiences everything that makes the organization both desirable and distinguishable as an employer [Jenner & Taylor],
- the essence of employer branding is to attract talented individuals and ensure that both the existing and future employees both identify themselves with the company (its brand and mission) and produce outcomes that are desired by the organization [G. Martin].

Practitioners regard EB as any efforts of an organization that aim at the creation of its image of an “employer by choice”. This term is referred to organizations that are perceived by the present and future employees as an attractive environment for the development of their careers<sup>5</sup>.

There are five components that make EB complete. The first component is the product/service/company brand strength. The product has some value added which meets certain psychological needs of consumers. Thanks to the value added, the brand is of better quality and more desirable than similar competitive products. This also applies to employers. The second component is the organizational culture – it includes values that are accepted by a particular organization, its rituals, work systems and leadership patterns. The third component is work-life balance. A company will not attract employees if their job satisfaction involves losses in their personal lives. The fourth component is work environment – if the management does not show its commitment through expected activities and conduct, the company will not be successful in creating the employer brand. The fifth component are material and non-material incentives that can be provided by the organization. In this case, the most significant are such elements as financial benefits, the position in the hierarchy, the significance of the work and responsibilities as well as the career development paths<sup>6</sup>. Figure 1 presents the contribution of particular components to EB in a bank.

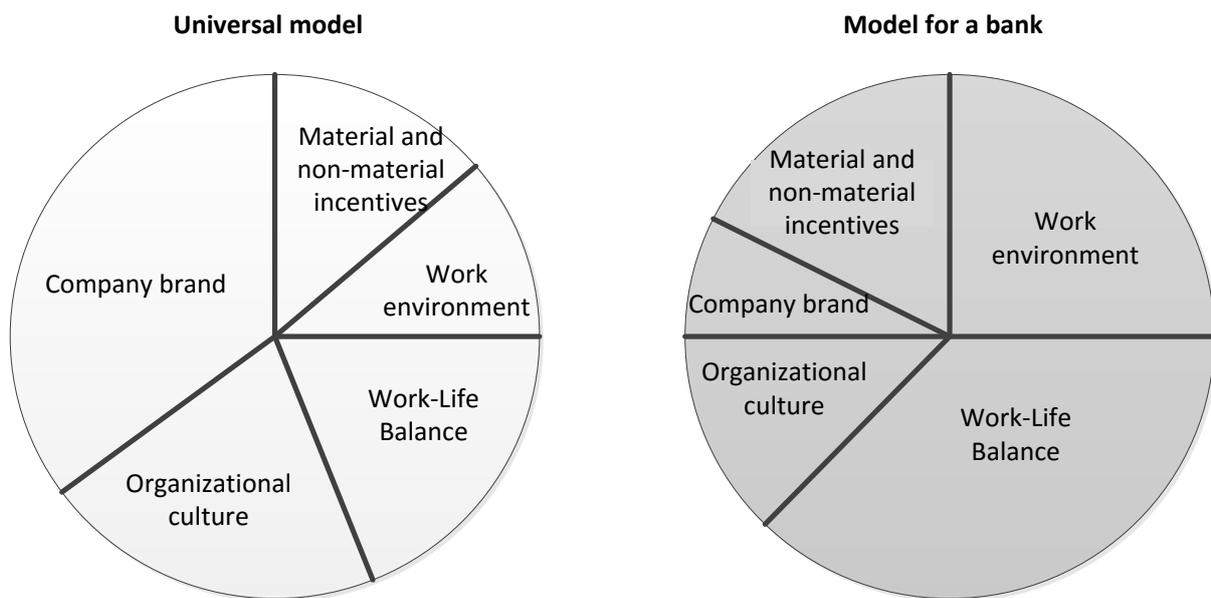
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<sup>4</sup> M. Kantowicz-Gdańska, *Employer branding – kwestie definicji i modelu*, Zarządzanie zasobami ludzkimi, 2009 No. 6, p.57.

<sup>5</sup> <http://markapracodawcy.pl/> (accessed: 15.03.2016)

<sup>6</sup> S. Kumar Dawn, S. Biswas, *Employer branding: A new strategic dimension of Indian corporations*, Asian Journal of Management Research 2010, p.24.

**Figure 1. The contribution of particular components to employer brand**



Source: Author's research based on: *The Employment Brand: Building Competitive Advantage in the Labour Market*, Corporate Leadership Council Washington DC1999

There are some significant differences between the universal model and the model for banks. In the universal model the company brand and organizational culture play the most important role, while in the case of a bank it is the work-life balance that comes first and then the work environment. The differences result from the fact that the bank staff and the applicants wishing to work in it are usually high level specialists who value long-term benefits more than the incentives that may be subject to change.

In practice, EB is most frequently divided into external and internal EB<sup>7</sup>. The internal EB is focused mainly on the creation of a friendly work atmosphere and the opportunities for the employees to develop within the organization. The fulfillment of such objectives should be preceded by a research on satisfaction and commitment or by individual interviews with the employees. Such activities are usually long-term in character as only then they make sense and create employer's credibility<sup>8</sup>. As a result of the internal EB, the employee becomes an internal customer of the company and particularly of the personnel department. The tools that are applied here include<sup>9</sup>:

<sup>7</sup> M. Kozłowski, *Employer ...*, op.cit., p.13.

<sup>8</sup> *EMPLOYER BRANDING*, E- poradnik, Wolters Kluwer Polska SA, Warszawa 2013, p.10.

<sup>9</sup> M. Kozłowski, *Employer ...*, op.cit., p.52.

- internal communication,
- career paths,
- trainings,
- system of regular staff training,
- satisfaction surveys,
- salary and non-salary incentives,
- staff integrating activities,
- value system,
- CSR attitude to the employees.

The aim of the tools listed above is to retain the key staff and their implementation depends on the staff turnover in particular positions, the company's financial abilities, the HRM procedures and organizational culture.

The external EB may have two functions. One is the image creation, which aims at developing brand awareness among the applicants to work, informing the labour market about the company and the benefits from being employed in it, presenting its competitive advantages and the fulfillment of CSR objectives; and the other is the recruitment function whose basic aim is to reach adequate applicants and convince them to apply for the vacancies<sup>10</sup>. The acceptance of a particular approach to EB determines its implementation. Numerous companies, including banks, take measures to learn about this concept by means of conferences, trainings or workshops on EB.

## **2. Assumptions underlying EB research**

The diagnostics research of EB was conducted in three selected banks in Poland. The research was focused only on the external tools.

The aim of the research was to analyze the external EB tools that were implemented by three selected banks in Poland.

The research process was based on their public data that were obtained from the annual financial statements, the quarterly financial reports, the CSR reports, the websites, the opinions of trade unions and overall reports on the position, brand and functioning of the banks under investigation. The following research questions were asked:

- Do the banks apply all the tools of external EB?

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<sup>10</sup> Ibidem, pp.92-93.

- Is it possible to establish the significance gradation of particular tools?
- Is the application of EB a standard procedure in the banking sector?
- Is it possible to develop a universal EB application method for the banking sector?

The total results of the research as well as the conclusions are presented in Table 1.

### **3. Diagnostic conclusions**

- Banks 1 and 2 provide a wide scope of information on their values and treat it as an element of brand promotion among potential employees, while bank 3 assumes that regularly received Top Employers awards are a synonym of the concept.
- All three banks apply similar standards regarding the presentation of job offers.
- Banks 1 and 2 present in detail the staff recruitment and selection procedures while bank 3 does not do it, which is a significant drawback as regards EB.
- The development of the general product brand of the banks has the priority and consequently the Career/Vacancies bookmark is placed at the bottom of the site. It should be stated that in the case of all three banks the bookmark is located on its homepage. Thus, the potential applicant is given a chance to find it fairly easily, which is a significant symptom of external EB.
- The banks participate in job fairs for students and graduates. Despite the lack of relevant information, it can be assumed that bank 2 takes part in the fairs. Nevertheless, it is a mistake that the bank's website or social media do not mention that fact.



**Table 1. External EB tools applied by three selected banks in Poland**

EB tools	BANK 1	BANK 2	BANK 3
<b>CAREER/JOB BOOKMARK</b>			
Company identification: <ul style="list-style-type: none"> <li>• company values</li> <li>• benefits available</li> </ul>	<ul style="list-style-type: none"> <li>- motto emphasizing how important the employees are to the bank,</li> <li>- reply to the answer why it is worth working with this bank</li> <li>- description of the benefits of the bank's location,</li> <li>- opportunity to choose a vacancy in a region that is convenient for the applicant (thanks to a significant number of branch offices),</li> <li>- information on such opportunities as participation in projects, trainings and courses,</li> <li>- FAQ.</li> </ul>	<ul style="list-style-type: none"> <li>- the view of the bank manager: <i>...people are important ..</i></li> <li>- information on being the Top Employer Award winner,</li> <li>- information on the benefits related to the employment in the bank,</li> <li>- a film with the encouragement of the employees who fulfilled their dreams thanks to their work in the bank)</li> <li>- information on development opportunities .</li> </ul>	<ul style="list-style-type: none"> <li>- information on being an every year winner of the Top Employers Award</li> <li>- values for the clients, not for the employees.</li> </ul>
Review of vacancies <ul style="list-style-type: none"> <li>• review of positions</li> <li>• related requirements</li> <li>• apprenticeships and internships</li> </ul>	<ul style="list-style-type: none"> <li>- two search engines that make it possible to get acquainted with the available offer (positions and vacancies),</li> <li>- application form</li> <li>- separate bookmark for apprenticeships and internships,</li> <li>- complete descriptions of positions: main responsibilities, expectations and benefits.</li> </ul>	<ul style="list-style-type: none"> <li>- bookmark: <i>Check current offers</i>,</li> <li>- search engine for vacancies by categories, positions, regions and departments,</li> <li>- separate form that enabling applying for a job despite the lack of the offer,</li> <li>- no separate bookmark for apprenticeships and internships.</li> </ul>	<ul style="list-style-type: none"> <li>- bookmark <i>Vacancies</i> by two categories: vacancies in the Head Office (by banking departments) , vacancies in the network (by geographical regions),</li> <li>- complete descriptions of positions: main tasks, expectations and benefits,</li> <li>- additional bookmark for students and graduates.</li> </ul>
Description of the recruitment process <ul style="list-style-type: none"> <li>• requirements re the application for particular positions,</li> <li>• applicant selection tools,</li> <li>• information on the job interview</li> <li>• feedback.</li> </ul>	<ul style="list-style-type: none"> <li>- separate bookmark,</li> <li>- division of the process into 3 stages: selection, job interview, feedback,</li> <li>- information on two types of the job interview (with the HR representative and the representative of the unit offering the vacancy).</li> <li>- presentation of issues to be verified in the course of the job interview,</li> <li>- information on the possible necessity to write a capability test and prepare a case study,</li> <li>- presentation of the feedback form (by phone or e-mail) with a clear message</li> </ul>	<ul style="list-style-type: none"> <li>- division of the recruitment into 5 stages: selection of applications, job interview, additional task, meeting with the superior, final result,</li> <li>- bookmark <i>Help in the recruitment</i> , which suggests how to write a proper CV and prepare to the job interview.</li> </ul>	<ul style="list-style-type: none"> <li>- no information on the selection and recruitment process</li> </ul>



	that the applicant will be contacted regardless of the final result		
Technical data of the bookmark <ul style="list-style-type: none"> <li>• usefulness</li> <li>• accuracy</li> <li>• modernity</li> </ul>	<ul style="list-style-type: none"> <li>- bookmark <i>Career</i> is in the bottom left hand corner of the homepage,</li> <li>- clear to read,</li> <li>- the information is well ordered,</li> <li>- excessive scrolling is a drawback,</li> <li>- information available on mobile media.</li> </ul>	<ul style="list-style-type: none"> <li>- bookmark <i>Career</i> is at the very bottom of the site,</li> <li>- every bookmark is visible and includes the necessary information,</li> <li>- excessive scrolling is a drawback,</li> </ul>	<ul style="list-style-type: none"> <li>- bookmark <i>Career</i> is at the very bottom of the site to the right and is hardly visible,</li> <li>- job offers are difficult to read,</li> <li>- frequent redirections to PDF after clicking,</li> <li>- the information is not updated.</li> </ul>
<b>1. JOB FAIRS</b>	<ul style="list-style-type: none"> <li>- mainly for students,</li> <li>- modern and interactive stands,</li> <li>- possibility to talk to HR staff,</li> <li>- several fairs in a year</li> </ul>	no data	<ul style="list-style-type: none"> <li>- mainly for students</li> <li>- several fairs a year</li> </ul>
<b>2. EVENTS AT UNIVERSITIES</b>	- joined classes and sharing practical experience with students .	no data	- lectures run by managers, mainly the board members.
<b>3. COMPANY AMBASSADORS</b>	no data	no data	przed laty funkcjonował program ambadorski, obecnie brak informacji o jego kontynuowaniu
<b>4. OPEN DAYS</b>	no data	no data	no data
<b>5. PUBLICITY MATERIALS FOR APPLICANTS</b> <ul style="list-style-type: none"> <li>• leaflets</li> <li>• brochures</li> <li>• videos</li> </ul>	information handouts available on CDs	no data	Traditional paper leaflets with basic information distributed at job fairs
<b>6. SOCIAL MEDIA</b>	<ul style="list-style-type: none"> <li>- portal accounts( Facebook, Twitter, Instagram, Youtube, Google Plus) are constantly updated,</li> <li>- information about the employer's image, organizational culture and particular employees, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- the bank's blog (articles on finance and discussion fora),</li> <li>- portal accounts ( Facebook, Twitter, Instagram) are constantly updated,</li> </ul>	- portal account ( Facebook) is old fashioned and not updated,
<b>7. CSR</b>	<ul style="list-style-type: none"> <li>- based on 5 key areas of the bank responsibilities,</li> <li>- defines the trends of activities with respect to customers, employees, partners and natural environment,</li> <li>- based in line with the PN-ISO 26000 and Global Reporting Initiative standards</li> </ul>	<ul style="list-style-type: none"> <li>- combined economical, environmental and ethical criteria,</li> <li>- standards of social relationships in processes.</li> </ul>	- develops relationships with its environment with the consideration of the needs of all stakeholders: clients, investors, employees, business partners and local communities,

Source:

Author's

research.

The research showed that the bank sector does not apply company ambassador programmes.

- The lack of information on open days for potential applicants may be the result of security policies but weakens the concept of EB.
- The most modern tools as regards advertising materials are applied by bank 1 (a CD with complete information for the applicant and the presentation of the bank).
- All three banks have accounts on Facebook but only banks 1 and 2 are fully committed to social networking. Bank 3 has an account on Facebook but it is old fashioned and not updated.
- As regards CSR, all three banks have a standard approach.

## Conclusion

The internal development of EB is directed towards the staff, while the external one is focused on other parties, mainly on potential employees. The behavior of the staff as well as the recruitment of new employees constitute the area of the main responsibilities of personnel departments<sup>11</sup>. Companies function in a dynamically changing environments and, consequently, the acquisition of suitable employees with particular skills is of vital importance. Companies compete with one another as regards qualified human resources and EB is a tool that distinguishes them<sup>12</sup>.

The answers to the research questions are as follows:

- Banks are aware of the necessity to implement and apply the concept of EB at least as regards the external tools.
- The website with the bookmark *Career/Job* is a standard tool in EB development.
- It is not possible to grade the importance of particular EB tools or to develop a universal model of the concept for the bank sector. This would require a wider investigation and a search for good practices in foreign or international banks. Thus, the diagnoses that were conducted should be treated as pilot testing and further research on the subject should be carried out.

EB is becoming yet another responsibility of personnel departments. They have an ongoing knowledge on the organization needs and their location in the organizational structure gives them a perspective of the whole company.

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<sup>11</sup> L. Moroko, M. Uncles, *Successful Employer Brands*, Brand Management 2008 Vol. 16, No. 3, pp. 160-175.

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### ***Abstract***

Employer branding is a contemporary response to the challenges encountered in recruitment processes. In numerous areas the banking sector serves as a good practical example for other organizations. The article presents the results of the research on the external tools of employer branding that are applied in three selected banks in Poland. The diagnosis confirmed the assumptions that banks are aware of the necessity to implement and apply the concepts of employer branding and that they apply the external tools to contact potential employees.