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MASTER'S THESIS (PROJECT)

“Development of the successful HR brand”

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DEVELOPMENT OF THE SUCCESSFUL HR BRAND

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Abstract of “Development of the successful HR brand”

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This master’s thesis is intended to investigate and formulate the optimal way to create the strong employer brand of the organisation. The research question is “how to develop the successful HR brand?” and the deep examination of several human resources management, marketing, sociological questions were provided in this thesis. The main instrument of research is the literature review including studies from different organisations, statistical data, analytical papers and scientific articles. Geographical range of research is high and the best practices from different countries were taken into consideration.

A significant attention was paid to the strategic issues of HR branding - how to attract the next Generation Z. Many studies were explored and I formulated clear recommendations for employers to deal with the youngest of employees.

Here I propose a set of actions, especially not requiring long bureaucratic procedures and high cost, which may sufficiently increase the awareness of the company as a place to work. The systematic following of advice and recommendation given in this work can help any organisation to form the basis of the HR brand.

Research proposal on the topic:

“Development of successful HR brand”

Aim of the research. The aim of this work is to study the issues of the development of a successful brand of an employer. The importance of the employer’s brand is recognized in the professional circles around the world. A reputation of an honest, employee-oriented and beneficial employer can be a guarantee of long-term labor relations and increases the attractiveness of the company. Nowadays, a majority of law, finance and accounting graduates consider “Big 4” companies as potentially advantageous work places even without knowing detailed information about *Deloitte*, *KPMG*, *PwC* and *EY*. This is an example of how a reputation and HR brand may help the company to pay less, hire employees faster than others in the market and expect full commitment from them. When a company runs in a competitive market with numerous similar organizations, the importance of its brand as an employer becomes cardinal.

According to Mosley (2015), the term “HR brand” emerged in the 1990s and is a quite new trend in Human Resources Management. Barrow and Mosley (2011) defines the employer branding as an organization’s reputation and value proposed by them. In accordance with the Ambler and Barrow (1996, p.187) it is “the functional, economic and psychological benefits that are provided by employment and identified with the employing company”

Objectives of the research. The Author pursues the objective to study the key elements of building an attractive and credible brand of a company as an employer and place to work by researching the successful cases or HR branding and addressing the articles and writings of the specialists in management, branding and other suitable professional fields. Another important objective is to identify winning strategies in HR branding for the organization.

Stakeholders. This work should be a guideline for the company in how to develop their brand and reputation as an employer in the market. The research will be based on actual

theoretical studies and fieldwork analysis consisting of interviews and practical advice. Owners of business and managers may benefit from the recommendations that are discussed in the next chapters.

The research question is: *how to develop a successful HR brand for the organization?*

Literature review. The question of HR branding is an issue for the majority of the world market. As Mosley (2015) states, employer branding becomes a strategically important goal of the companies, but not just extra point activity. Except for monopoly companies in particular countries, any company working in a competitive environment faces the problem of its trademark as a place for working. In a recent study Burgess (2016) stated that a bad reputation costs companies more than 10% per wages to fulfil the vacant positions. Poor reputation, as he notes, forces companies to compensate it by salaries than their competitors with a developed employer brand. His position makes a contribution to the actuality of current research questions. Burgess (2016) proposes the course of action in order to increase the value as an attractive employer.

Nowadays, the labor market becomes more candidate-driven, as Gallo (2015) argues. She defends the position that in recent years the market is driven by candidates, especially by talented graduates and experienced professionals. In this research, I would like to demonstrate the fundamental shift in employment relations mentioned by Gallo (2015).

A crucial part of current work is different analytical research in the human resources field. The Randstad Employer Brand Research 2020 for Kazakhstan (hereinafter - EBR 2020) is an applicable study of the employees preferences in choosing a workplace. According to the EBR (2020) findings, employees in Kazakhstan have three main criterias in looking for the job: 1) attractive salary & benefits (73%); 2) financially healthy employer (52%); 3) career progression (48%). EBR (2020) indicates that the two most-attractive sectors are: 1) oil and gas; 2) metals and mining, whereas these fields are not as well-known as banking and retail

companies. We can conclude from it that the awareness of the employees about the brand of the company as such does not imply the good perception as an employer. We can find from EBR (2020) that the most attractive benefits for Kazakhstani are: 1) health care (85%); 2) additional vacation benefits (annual leave, sabbatical leave) 84%; 3) internal training and subsidized further education (courses, certificates, etc.).

According to Mosley (2015), in recent times, with the growth of social media, people want to trust the employer more than in the past. The leading factors in job seeking become the values proposed by companies. He also contends that global talent shortages enhance the importance of human resources branding. The talent shortage is a recognized issue around the world market. Consequently, companies must compete for certain positions in which there is a lack of talented candidates. In this competition, the vital importance is the level of employer brand development.

When discussing what the company needs to develop its human resources brand, we can refer to certain researchers. Clayton (2018) suggests that companies need to have clear corporate purposes and values. She provides as an example a retailing company Patagonia, which clearly states their values and has an attractive corporate culture. The Second step is to fulfil the gaps between declared benefits and actual profits which the company provides. It can be achieved by making surveys in order to assess what promised elements are not executed. The Third action is to discuss the problems and promote the company's brand not only for the future employee, but also to the current staff. In my opinion, the third step may give the company more advantages, because internal marketing will play a crucial role when someone leaves the company. The opinion and feedback of former employees is a big part of the development of the human resources brand. The importance of the former employee's feedback about the company are demonstrated by EBR (2020) findings: more than half (57%) of the

surveyed kazakhstani employees are tended to seek a new job via personal connections and referrals.

Burgess (2016) proposes several steps to improve a problematic employer brand. Firstly, he advises to find the precise position of a company brand in public opinion, whether it is at the center of scandal or has communication problems etc. The Second step is to figure out the proposed values. A company should define their values and declare it. He asserts that employees are mostly attracted by values which are correlated to their personality. This statement will be a subject of closer examination in current research. The term value is frequently mentioned by all authors below and we suppose that it is not a coincidence. The importance of values in human personality is proposed by the most authoritative writers in the topic of management - Maslow's (1943) hierarchy of need theory which declares that the need to be esteemed and self-actualized are at the top of his pyramid.

Bhantnagar and Jaiswal (2016) analyzed Amazon's work conditions and criticized it for the following reasons. They contend that Amazon's corporate culture is very rough and demanding in which employees often leave the company due to the lack of time for family and personal activities. In consequence, there was a high rate of turnover. It was a culture of hidden criticism between coworkers to their bosses. Former Amazon HR manager shared his opinion about the work in this company. He believes that after working for Amazon it is difficult to change the manner of work and avoid criticism of colleagues who did not perform goals.

COVID-19 pandemic now is a sudden and long-term occasion not only for humanity as such, but especially for employers. Schroth (2019) and Rikleen (2020) studied and identified several issues that will be the issues of next Generation Z employers. New generation needs more care and a detailed attitude to them. The emotional intelligence of employers will be one of the most important denominators of intergenerational relations in the workplace. Quarantine restrictions to eliminate the spread of COVID-10 imposed around the world affected millions

of new or future employees in how they perceive the optimal and preferred employer. HR branding has to be different for Gen Z representatives, considering all factors occurred with that group of people during massive lockdowns.

Negligence for the employees stress from work costs companies billions of dollars (Burton, 2007) and now it became apparent that the successful HR brand consists of, *inter alia*, stress management policy. Employers should learn how to address the professional burnouts arising mostly from stress and anxiety.

Research design. This research will be qualitative using both primary and secondary data. Research methods are: literature review and interviews with Human Resources specialists.

The theoretical framework for this master's thesis will be the articles, researches and textbooks concerning human resources management and brand development.

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Key findings:

Chapter 1. The Value of Brand Positioning for Successful Business

Nowadays, there is a widely accepted point of view that marketing is the fundamental for the business to create a permanent and loyal customer base. In the last decade the role of winning marketing became crucial because of the rising dominance of the internet.

Branding is a process of creating your own and unique label of a company, which will distinguish a particular business from other market players. According to Kotler and Keller (2016) all marketing strategy consists from: 1) segmentation; 2) targeting; 3) positioning.

Brand positioning may be defined as locating the company within its targeted market. When a particular business is intended to position its brand they should discover their organizational features, values which they can propose to customers and goals they can help assist consumers to achieve. A Well-positioned brand can hardly be replaced by another due to the unique characteristics and values a particular company possesses. For example, *Apple Inc.* made an innovative and high-technology line of products different from other smartphones and electronic devices. *AirPods* is a best-selling headphone model on Amazon (2021). Every next version of the iPhone is always hotly debated news. It is a result of consistent and creative brand building work by Apple Inc. Equally important reasons for Apple's strong brand are its human resources - software engineers, IT developers etc. Steve Jobs, founder of Apple, made a significant contribution to his personal brand - a proactive, open-minded and passionate leader of start-up business.

Developed brand positioning attracts thousands of talents around the world. A company with a developed commercial brand is more competitive than others without that. Food engineers are likely to choose *Coca-Cola* as a place to work rather than local and little-known drink producers, and it happens because of the impact of the Coca-Cola brand.

This work is intended to provide a careful analysis and instruction for the development of a successful brand. Not the brand in general meaning, but the employer, HR brand of a company. An intended audience of the HR brand is the professionals, graduates and students, not consumers of goods.

Companies with developed brand positioning may hold a winning place in the market. Overall brand positioning can be defined as a milestone of the successful marketing policy. Any stakeholder, whether consumer or professional seeking for job opportunities needs to see the clear and unique reasons why he or she should buy a particular product or to join this company when there are many other options. The importance of brand positioning has its roots in general psychology, especially in *decision theory*.

Also brand positioning is important because it allows companies to emphasize the strongest sides and own advantages. It is very important in such areas where companies do not have enough uniqueness. For example in the legal services market it is quite difficult for legal firms to differ one from another in relation to the identical and similar services which are provided by them. Legal firms provide general services in private law for the physical person and companies do almost the same things such as meeting with the client, discussion on his or her problem, analyze the possible legal solutions and then draft necessary documents, lodging the claim to the court and defend the position of their trustee. In this algorithm anybody can scarcely look different from other 99% of legal market players. Brand positioning helps companies analyze and create or display these unique traits. Maybe that legal firm has a staff whose main competitive advantage is a litigation process, or this firm is the fastest in drafting contracts of varying complexity. The separate and special business analysis can identify such strengths and use them in advertising the company.

In the course of the above-mentioned example, brand positioning gives an opportunity to identify the best product which a company provides to consumers. In the case of a legal firm

it is beneficial to find the strongest service which they can provide better than others, which is a unique selling proposition. By doing this, legal firms have a clear justification of their prices for such selling propositions. A Legal firm which is awarded as the strongest litigation group of lawyers can set the highest price for representing someone in the courtroom with a clear conscience and being sure that the quality/price ratio is right.

Brand positioning becomes the admission ticket to the top level of popularity and high revenue. Without the awareness about what place a company wants to hold, which product and who will be the target group of its products, any organization is destined to rest in the middle income level. To

Chapter 2. The role of the HR branding

In contrast to branding in the general sense, Human Resources branding provides many opportunities for the organization. In the fields with a huge amount of supply as legal services or consulting, the importance of clear HR brand positioning becomes more important. When talented university graduates choose the preferable place of work, many of them are likely to select famous and eminent companies even though the essence of work and salary may be equal. If there are particular local and international auditing companies in some location, students would choose the seconds. The World's Most Attractive Employers (2020) demonstrates that Big 4 companies - Ernst & Young, Deloitte, KPMG, PricewaterhouseCoopers remain in the top 10 of attractive employers for business students. This is mainly because of the developed corporate culture, flexibility to changes and sustainable work of the people departments.

The first competitive advantage which arises from the HR brand is the saving of the time and finance for the recruitment. The most identifiable and recognizable countries in terms of attractiveness saves a big amount of time and money without holding a long and deep headhunting. They need fewer arguments to convince a candidate to join them. According to Burgess (2016) in the majority of cases companies without strong employer branding spend money for the salary 10% higher than their more famous competitors. LinkedIn's Employer Brand Statistics (2015) demonstrates the effect of the great employer brand as follows: it reduces the organization's turnover by 28% by boosting retention, two-time reduction of cost-per-hire, they hire by 50% more qualified candidates and 1-2 times faster.

Recruitment of the most qualified and skilled professionals is a vital concern of the majority of organizations. It impacts the quality of work and then impacts directly to the profitability of the company. In areas of work in which there is a shortage of qualified specialists it is crucial for employers to be the best choice for desired candidates. Companies

which conduct specific business can not survive without an employer brand. Poor employer brand is forgivable only in the cases if the organization uses the unskilled labor and issues general tasks for the personnel.

Good overall brand of the company cannot exist constantly without dissenting a poor employer brand. If the consumers will be aware that certain company is terrible place to work or work conditions there are similar to the slavery.

Many authors (Pryadarshi *et al.* 2020) are of the opinion that HR branding may boost employee retention. Competent employees with a good level of satisfaction and organizational commitment is an asset for any company. Organizational commitment is a degree of how an employee is engaged and empathizes with goals common to the employer. It is profoundly investigated (Pryadarshi *et al.* 2020) that organizational commitment is a basic element of employee's productivity. Even though an employee is hardly trained, well-educated and motivated, it can barely be enough for him to do his best. This topic is closely related to another - employer value proposition (EVP) Analogous to the value proposition of the company as such, EVP can be explained by similar principles.

Employer value proposition is noticeable when the essence of work tasks is to communicate and interact with people. The very clear examples are retail companies. A sense their work is to provide a service to consumers, starting with security staff in the entrance and ending with cashiers. They are all responsible for the consumer's impression about this retail network. The friendly and benevolent treatment in one particular supermarket creates positive spirit in one particular consumer, whereas the mass kindly service delivery may impact globally.

In its turn, the employer value proposition refers to the principles which are glorified by the company. In most cases, the employer's value spreads from the top of management to the subordinate levels. An Employer's values are the set of rules, policies and modes of

behavior which are welcomed by founders of a company or their top managers. Consequently, no constant value proposition is possible without corresponding will of the supreme management. Leading tech companies are prime examples of how the values of company founders became the value of the whole business empire. The spirit of competition and hard work mounted to the origins of *Amazon* could not become its hallmark without the personal philosophy of Jeff Bezos. These features are the result of Bezos's "Day 1" strategy which says that a company must always stay in its initial conditions, with primary enthusiasm and should not switch to the state of "Day 2"- a typical company which is in stasis. The idea of "Day 1" is that in the beginning, small companies and start-ups tend to act faster, to change rapidly and generally are more mobile than long-functioning companies. An organization in "Day 2" is more bureaucratic, decisions in such companies are made very slowly and with delay. Bezos wishes to maintain Amazon in the very enthusiastic mode by putting his personal pressure. The success of Amazon is contributed mostly by Bezos's philosophy. Firstly, the essence of this philosophy is that, ideally, a company in Day 1 is focused on the very result of its activities. For Bezos, large, long-running companies always become process-oriented over time. Thus, the activities of the organization acquire a bureaucratic nature, when the proper observance of procedures and rules becomes a matter of expectation. The one more feature of that concept is the high-velocity of the decision making. There is a so-called "disagree and commit" system in Amazon according to which the employee who disagrees with the proposed idea should not waste time in discussion to persuade others, but should work on his proposal in parallel and then the best result will be chosen by top management. It helps the team to manage its time more effectively.

The third rule of the Day 1 philosophy is to look outside the company and constant market research. Amazon is trying to go beyond online sales and is constantly looking for new opportunities for business development. Jeff Bezos is sure that the world and business

environment is constantly changing, new trends are emerging that need to be monitored and studied. That is the reason why *Echo/Alexa* devices are one of the most fast growing products in the market. Having started its journey as an online store, Amazon has grown into a company that actively studies and implements machine learning and artificial intelligence in its activities.

Using Amazon as an example, we can see the fundamental role of business leaders in shaping the company's philosophy. In turn, the philosophy of the company gives it a special charm - a set of inherent unique features that make the company attractive to the outside public, whether they are consumers or job candidates.

According to the Universum Global World Most Attractive Employers Ranking (2020), Amazon is one of the most desirable organizations to work for both technical and business students and that index is clear evidence of having a personal philosophy by companies.

The main, but at the same time invisible advantage of a developed employer brand is the ability to retain employees for a long time and reduce employee turnover. HR brands may reduce the voluntary employee turnover when they choose to leave the company due to a variety of reasons: job dissatisfaction, low wages, little incentives, poor working conditions.

Employee turnover may be classified by the ability of the employer to manage it as: 1) controllable turnover: and 2) uncontrollable turnover.

Uncontrollable turnover includes the transfer of employees' spouses, the need to take care of children or elder relatives, change of geographic location, change of profession or specialty by employee. These reasons can hardly be managed by employers because they are connected with personal decisions and circumstances of employees and not with dissatisfaction by the workplace.

However, the second type of turnover is those which can be controlled by the employer. The classic tools to manage it is to monitor the needs and complaints of employees. It is better to survey the workforce regularly than being surprised by the rate of employee turnover. The

one thing an employer may not do directly to the employees is to develop his brand and awareness as an employer.

Chapter 3. Defining the elements of the prosperous employer brand:

So how do we define what is generally meant by saying that a particular company has a strong employer brand? What indicators do we need to rely on in these questions and what points are important?

Times have changed now, and it is believed that the most powerful weapon of the company is not its liabilities, but the strong professionals and the expected value that they can give and bring in the future. Therefore, to build a prosperous and strong organization, recruiters must form a strong team. To that extent, to be an attractive choice of the workplace for highly qualified employees, companies have to invest in the employer brand of the company first.

- Positive positioning of the company. Nowadays, competing for the attention of the consumer has become tougher: the variety of products and goods with higher quality and lesser price is expanding day by day. So to succeed in those conditions of endless competition companies try to increase the awareness of the brand in the minds of the consumers. Positioning of the company takes place to enhance the positive emotions of the existing consumers and to create a good image and associations in the minds of the new consumers. The good positioning of the company helps to differentiate and to create right associations among the other companies. Positioning of the company conveys particular information in our mind about the characteristics of the products offered by the company, price range and image of the company.

For example, if we consider the Whole Foods market chain in the United States. Whole Foods market is an American supermarket chain with more than 500 stores in North America and the United Kingdom. Whole Foods market is the first ever supermarket to be “Certified Organic” in America. They position themselves as an organic food supermarket that supplies natural, organic and healthy food. Whole Foods also attaches to its positioning by straightforwardly controlling that products on shelf are manufactured with no violation of human rights, labor laws and animal rights. Consequently, when people want to buy organic

food, the Whole Foods brand pops up in their head, and they are more likely to go shopping there.

- Financial performance. The success of a company is often measured by their financial performance: how much the company was able to earn from its services and products and future demand for the product. Many of the company's ratings and indicators of success are based on current earnings and projected earnings for the company. Also, companies with a large financial capability can offer potential employees good salaries, the possibility of increasing salaries and various types of employee support such as medical insurance, professional training and bonuses, which will certainly lead to the growth of the company's brand as an employer.

- the mission and value of the organization becomes not just beautiful words but very important attributes of the company's attractiveness. The Deloitte Millennial Survey (2015) points out that the best words to describe Millennials' expectation of what a company should achieve are: “job creation”, “profit generation”, “improving society”. This study shows the concerns of Millennials about the role of business beyond the pursuit of profit. What concerns motivation, Millennials seek a sense of purpose and that is why it would be better for organizations to develop the slogans, motto, and storytelling to their workforce which may provide this sense. Rather than material benefits, they are inspired more by spiritual reasons to spend their lives.

- Using social media has now become part of the daily routine for many people. Social networks can make new brands recognizable and also, without a presence in social networks, former popular and prosperous companies and organizations can quickly be forgotten.

Chapter 4. The importance of the HR branding in the Generation Z engagement

With the natural passage of time, generations of people involved in the work of companies and enterprises around the world change. Older generations with their own mentality, beliefs and values are being replaced by younger people. From the point of view of human resource management, this means the emergence of the need to rethink the approach to involving a new generation in the activities of companies. Now it is the time of so-called Generation Z. According to Strauss-Howe generational theory (1992) people born in a certain period of time have their own set of beliefs, behavior patterns and life values. They are called generations. Generation Z or Zoomers is a group of people who were born between 1997 and 2013. Zoomers are the next generation after Millennials - a group who were born approximately between 1982 and 1997. Many sources (Schroth 2019; Rikleen 2020) indicate that Gen Z were raised in better life conditions, especially in families with higher household income than Millennials did. Consequently, they needed less early employment, whereas, for instance, people who grew up in the USSR were traditionally engaged in labor even after 9 classes of school. The childhood of Gen Z has passed in a relatively safer and more prosperous time without global armed or so-called Cold War and coincides with the emergence of the Internet, mobile devices and digitalization of almost every aspect of life. All of these factors are influenced by employment issues of Gen Z. Schroth (2019) suggests that Gen Z has bigger and quite unrealistic expectations from work and it is a matter for the employer to manage this issue. She advises others to give Gen Z realistic job previews and bear in mind the set of unwritten expectations about employment relations. According to this study, to manage the issue of expectations, employers may provide a deep onboarding process which consists of welcome instructions and explanation of job characteristics. Gen Zers need to understand their role in the workplace and the way they can change the company. This group of people are influenced more by personal attitude to them rather than depersonalized ones. She provides the results of her study indicating that Gen Z students are more likely to work hard if they know about the

importance of that work in relation to their future work. A specific feature of this generation is the urgent need for mutual respect and emotional connection with the bosses. In the absence of these elements employees of Gen Z demonstrate less performance.

Also, Gen Z representatives prefer to use instant messengers and text messages in their communication rather than face-to-face communication. Another feature of Gen Z is the sudden appearance of the Coronavirus pandemic, which has forced many young people to go online. The last year of the university, final exams, theses and ritual graduation - all these events took place online. Online means using the internet and video as the primary means of communication. Further, most Gen Z representatives have received or now receive their first professional experience remotely due to quarantine restrictions. Apparently, the combination of comparatively late obtaining of professional experience, remote and distance working makes the Gen Z a quite exceptional generation who suffered and were affected by global events like “The Greatest Generation” faced the World War Second and post-war difficulties or Millenials were scared by 9/11 terroristic attacks and 2007 economic crisis. The effect of COVID-19 was not only for graduate students but also for the graduating school pupil. By the Spring of 2021 half of the one and half of the school year is passing remotely. Within a short time, schoolchildren lost the opportunity to be in the company of their peers, live communication with teachers and the opportunity to spend their free time with their peers. We can make an assumption that the expectation and the main need of this “lockdowned” generation will be as many live events, human interaction and communication as possible. An important advice for employers in strategic human resources management is to fit the gaps of the young generation that took place after several years of quarantine restrictions.

Psychological research conducted by American Psychological Association (2018) indicates that Gen Z has a higher level of anxiety and depression than previous generations. The neglected employee’s stress and anxiety often leads to the high turnover, absenteeism and

burnouts which costs companies a lot of money. Some research (Burton, 2007) found that the price of unmanaged work stress for American companies is more than \$300 billion a year. Also, according to Burton (2007), 40% of turnover happens because of stress, healthcare expenditures are approximately 50% higher for workers suffering from stress. Rikleen (2020) advises employers to develop and train their emotional intelligence to be ready to work successfully with Gen Z members. She suggests Gen Z is likely to be vigilant to the emotions of others and will need the feedback.

Chapter 6. Analysis of the successful cases of the HR brand positioning

Nowadays, human capital is regarded as the initial source of growth, success and competitive advantage of the company or organization (Barney, 1991; Pfeffer, 1994; Prahalad and Hamel, 1990). Globalization, innovations in technology and quick development of different fields made human resources one of the core components of the success of the companies. The right positioning and reputation of the company enhances its chances to attract a higher quantity and quality of human resources (Fombrun and Shanley, 1990).

Frankly speaking, companies have to create and preserve good HR reputation regardless of the field. Good reputation is believed to reduce employee turnover, improve customer relations, maintain competitiveness for potential employees and attract higher qualified professionals (Hannon and Milkovich, 1996). Also, positive employee communications and a good public image of the company helps to enhance the commitment and engagement of the workers, consequently, positively affecting the financial performance.

So how can we indicate the best employers among other companies and organizations? Annually, influential media portals analyze thousands of the companies and publish lists of the best employers. For example, *Fortune* magazine has published *The 100 Best Companies to work for* reputation rating since 1998. In this list they rank companies based on employee happiness and on how appropriately good HR strategy fits the objectives and goals of the company. The key criteria for evaluation are the followings:

- opportunities for employees;
- pay rate;
- security of workplace;
- openness;
- companionship;

Companies can voluntarily participate and participants can be HR professionals and employees of the company.

Google is a tech company based in Mountain View, California. Google's parent company Alphabet had 135,301 full-time employees at the end of 2020 (Statista). According to Fortune's list, Google was the number 1 company for employees for the eighth time for 14 years of participation. The tech titan earned top positions in the ranking for its new people analytics based solutions and HR implementations. Google works in diverse fields such as web search, robotics, artificial intelligence and machine learning. HR professionals and managers of the company use structured interviews to avoid unconscious biased decisions to hire the most suitable candidates. Structured interviews have the same questions for each candidate and the same evaluation criteria. Candidates can even find interview processes and questions on the internet to be best prepared for the interview. The hiring process at Google has aspects such as asking only position relevant questions, recording the answers of the candidates to review them when necessary and using the standardized evaluation criteria for each candidate. Additionally, Google has a hiring committee. Managers can refuse to accept the candidates offered by the committee, however, managers cannot hire the candidates without consultation of the hiring committee. Sometimes managers can make rash decisions when hiring a candidate in order to quickly close open positions. In such a case, the hiring committee can review candidates and make long-term profitable decisions for the company. Google uses people analytics to make data driven decisions in order to drive innovation and success. As a result, Google's data-driven HR professionals hire the most appropriate candidates and those candidates produce an efficient workforce. The company is also working to reduce the number of distractions for its employees. For example, every employee can have a variety of free food in the workplace, bicycles offered by the company, on-site health care and medical service, and they can even bring their pets to the office to reduce stress and increase joy. Additionally, Googlers can spend 20% of time on

the workplace for their own projects and creative endeavors, and it proves that the company cares about the side interests of the workers.

In 2019 Hilton became the first non-tech company to lead the list of *Fortune's The 100 Best companies to work for* and in 2020 led the list again. So why did Hilton become the best company to work for the second time in row? Hilton is an American hospitality company which owns and operates 6100 global properties (December 31, 2019) and has 430000 employees worldwide. Chris Nasetta, the CEO of the company says that Hilton is continuously learning and changing its culture (Fortune magazine, 2019). In 2019, Hilton prolonged parental leave policy. Also, in 2019 Hilton continued to develop the program where the employees of the company, regardless of position, can purchase stocks of the company. Besides, the company has travel programs, where employees can have discounts while traveling in worldwide chains of the hotel. Further, Hilton pays sabbatical opportunities, offers career development programs, and was the first ever company to launch a partnership with *Milk Stork* startup which makes shipping of breast milk easier for working team members while traveling abroad. Chief Human Resources officer at Hilton, Matt Schuyler (2020) noted that Hilton makes efforts to create an inclusive workplace for all team members to enhance belonging and engagement of the employees.

Another great example of the companies chosen by *Fortune* for the list of *100 Best companies to work for* were Patagonia and Edmunds.com. Those companies have commonalities in work culture: employees are not controlled by strict managers, the main task of the workers is to get the job done. Employees of those companies note that companies HR strategy and culture supports work-life balance, mentions absence of strict working hours, and they are encouraged to use the best ways possible to accomplish the tasks.

So what exactly do the above-mentioned companies have in common, and what makes them the best employers? To answer this question and to find out similarities in those

companies Michael O'Malley, PhD conducted a study. He and his colleague examined several companies from the various lists and find out the following:

- employee-oriented workspace. The best employers are concerned not only with an employee's job satisfaction, but try to increase the employee's life satisfaction. Such companies help maintain work-life balance and offer various mental healthcare programs.

- employees acting like owners. The executives interviewed during this study mentioned that they want their employees to accept the company as their own. They note that it affects the way they approach the job and their mindset. By doing so employees can focus on what they can contribute and change, rather than their limitations.

- building a strong team. HR professionals and CEOs of top employer companies have an understanding that deep bonds of the team are essential not only for good cooperation, communication among team members, but also for performance.

- identify "calling" of employees. The study shows that the best employers help workers to achieve fulfillment. HR professionals always communicate with employees to shift them to interesting positions or projects.

To conclude, we see various top employer companies with similar approaches. Since, human resources became the core component of the success of the company, putting the interests of employees may benefit the company in the long term. Investment in good HR positioning of the company affects the long-term success of the company by decreasing turnover and increasing engagement of the employee.

Chapter 7. Development of the HR brand for small enterprises: circumstances and practical issues.

Human resource management is vital not only in huge companies, but also in small enterprises. Since the appropriate employees are the basis of the success of the company or enterprise, the organization must have an appropriate or formal way of regulating the questions of interests, norms, values and goals of the company. Mostly, small enterprises do not have the human resource specialist to enhance and develop the HR brand of the organization and the top manager or owner of the enterprise takes responsibility for recruitment of the employees, tracks their career development. However, small enterprises struggle with hiring the top professionals because they have limited resources, they cannot offer high salaries as in huge organizations. Also, usually small enterprises do not have hierarchy in most fields, so employees do not understand their long term career path in that kind of enterprise. Additionally, small enterprises mainly cannot offer professional learning and development. The lack of HR development and not having strategy and plan can affect the achievement of the objectives of the enterprise.

Despite the idea that HR functions in general and especially employer branding are not necessary elements for doing small or medium sized business, some studies show that targeted development of human resources management gives a lot of benefits for them. For example, according to Glassdor's (2017) study, companies which invest in recruiting talented candidates improve the quality of new staff by 70%. Brandon Hall Group (2015) investigated that investments in employer branding are three times more likely to conduct a high quality recruitment.

A little thing that employers can do to engage employees is a clear onboarding process. Majority of small businesses ignore this simple action which may significantly boost the general employee engagement. In addition, there are many effective and low-cost practices, using which a small company can pay attention to human resource management without even

hiring a separate professional. Also, companies should develop clear procedures for hiring new employees and a policy of saying goodbye to them. In the absence of separate marketing, a small company's brand as an employer is based largely on its reputation in the professional community. Fired or voluntarily resigned people from the company are the main sources of information about the company as a place of work.

With a headlong focus on operations, many business leaders do not pay due attention to the arrival and departure of employees as a separate process. Often, the head of business's response to such events is the basis of HR practice for small and medium-sized companies.

The main obstacle in developing the employer brand in small enterprises is the little amount of staff. Brand is a result of systematic policy and behavior of a number of specialists in different areas - CEO, human resources, marketing. As usual, there is no such division of function in small firms which employed just a decade of employees except for the owner of a business. According to some management consulting experts (Feffer, 2018), it would be more efficient for business leaders to delegate HR functions to individuals in order to focus their time on improving the company's core business.

Fieldwork analysis

Interviews with Human Resources specialists agree with most of my thesis which I supposed in the beginning of this research. HR manager Zhanna (hereinafter - Respondent 1) also is of the opinion that employer brand plays a significant role in successful recruitment of candidates. She contends that qualified candidates chose more famous companies with established positive reputation. This opinion correlates with the statement of Gallo (2015) that the labor market becomes more candidate driven, especially in areas in which employers need specific skills and a high level of education. Her position also confirms the statement that a poor HR brand costs a company a lot of money (Burgess, 2016). Nowadays, it becomes obvious that the bad reputation and neglect of the HR brand is becoming a big problem for companies and an obstacle on the way to becoming a big company. Lack of proper attention to HR branding does not allow companies in a market economy to overcome a certain "ceiling" of development.

Respondent 1 refers to the organisational culture as an important argument in hiring talented specialists. This confirms the view that the foundation of an HR brand is always a corporate culture - a thing that many companies neglect in favour of operational activities. In her practice she faced a lot of situations in which the employer was forced to propose a higher salary due to the poor branding and lack of organisational stability.

Respondent 2 - Senior HR manager in a gold mining company also agrees with the strategic importance of employer branding. In her practice, companies which are famous as a good employer have many times more candidates for vacant positions. She added one more argument for the importance of HR branding, Respondent 2 is in opinion that the general brand of a company increases the business contacts of the companies.

Conclusion

In conclusion of this research, we can see that many of the initial theses found its roots in practice. Literature review provides us the opportunity to conclude that the importance of HR brand development is recognized by most of the researchers in the area of human resources management. As Mosley (2015) argues that employer branding is strategically important for doing successful business, many studies - Deloitte Millennials Survey (2015), Fortune (2020), Randstad (2020), Universum global (2020) are unanimous in that opinion.

The financial effect of building an employer brand is also important, which is confirmed by many statistical data. The company's prominence as a workplace allows it to hire people much faster, attract more qualified candidates and reduce employee turnover. The employer's brand acts as a guarantee of successful organizational development and company stability.

The big challenge for employers around the world is the impending wave of Generation Z which are expected to hold most of the junior and middle positions in the organisations. The HR brand is not just words for them. Schroth (2019) examined the issue of dealing with Gen Z and suggested that the emotional leadership, enough level of engagement and stress leadership may increase the perception of companies as a right place to work for the younger generation. The key feature of this generation is the deep engagement in digital devices and the internet. The recent graduates are the people who started their career during COVID-19 pandemic or whose career development was interrupted by a worldwide crisis which also affected employment.

The development of the employer brand should begin from delegating HR functions to a separate department or at least one professional who will be responsible for management in this area. Tangible contribution may be achieved from the marketing department in order to formulate the employer's value proposition and to reduce the general awareness about the company. Starting from defining which values a company provides as an employer HR

department should conduct the corresponding recruitment process. Businesses should clearly be aware which candidates they need to achieve their goals. Interviews, its manner, structure and objectives creates the first impression of a potential employee about the company he or she wants to join.

Then a company needs a clear organisational structure and career path. Delegation of functions, if it is possible, may enhance the productivity of the company and help to avoid the mess in the work process. Every employee should know when and in which circumstances he or she may be promoted or somehow awarded. The career path of big consulting companies is the best example of this criteria. Most people prefer to work in so-called Big 4 companies mainly to be in a transparent and fair environment where they will be sure what is better to expect. Career path means the order of how and when some employees will be promoted. Consultant in Big 4 know when he should expect to switch to the next position and what he should do for it. Usually it is typical for small or medium sized companies to keep employees in the organisational dark and rely on the subjective perception of the supervisor. In a situation of non-transparency, companies with clear career paths may be beneficially distinguished from others.

Next stop is the corporate culture. Companies cannot survive without minimal symptoms of corporate culture, which includes structure, corporate style, performance management, decision making, teamwork principles and atmosphere. Financial or other incentives

All of these features are pertinent to the most valuable and profitable companies around the world. HR branding is the indispensable element of general success of business. In this regard, business leaders need to realize the importance of individual development and focus on HR development. It becomes not only a department for recruiting people, but also an important

assistant in maintaining the organizational stability of the company, playing a key role in shaping the corporate culture and reputation of the company.

Analysis of successful HR practices shows that to become attractive workers does not have to pour a lot of money into it or be a global company. The employer's brand is made up of many factors, such as attention to detail and the needs of employees, taking into account the characteristics of different generations. Flexible working hours very often increase the productivity of employees and bring them to their best, giving them more freedom in managing their time. This step does not require large resources and solves many problems. More and more tech companies are shifting to smooth workflows to help their workers to keep work/life balance.

Research Ethics Approval Form

Higher School of Economics M.Narikbayev KAZGUU University is concerned about ethical issues related to research. A student should review “Ethics in Research” section in Master’s Dissertation Guidelines and have a discussion with a supervisor regarding ethical consideration in research.

Research Ethics Approval form should be filled prior to the start of data collection. A supervisor should sign a form as a sign of confirmation. A supervisor might contact Disciplinary and Ethics committee in case if there are some doubts on research and expert’s opinion is required.

Name of a Student	Alibi Zhabykpay
Degree Programme	Master in Human Resources Management
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Supervisor’s Name	Zhan-Tore Ayzbekov

1. Does your research involve vulnerable groups? No
2. Does your research involve sensitive topics? No
3. Does your research may potentially harm (psychologically/physically/financially, etc) participants? No
4. Describe outline and objectives of your research:

My research is aimed to formulate and propose clear steps to develop the successful HR (employer) brand for organization. The main part of my master's thesis consists of a chapter in which I analyzed the key elements concerning HR brand, the importance and strategic role of HR in doing business.

5. Describe your research design and how human participants will be involved:

My research design will be qualitative with primary and secondary data. Research methods are: literature review and interviews.

6. Describe potential risks of your research to your human participants and how you are going to avoid these risks.

My research have no potential risks for human participants

7. Describe how anonymity of respondents will be ensured:

Respondents will be named by using number and excluding their names. For example – Respondent 1,2.

8. Describe how informed consent will be provided.

Consent of respondents are provided via text messengers.

9. Describe how you will ensure privacy of data collection.

My research will not name the companies and persons which appears in the answers of respondents.

10. Describe how data will be stored throughout and in the end of the project.

The data will be stored

Student's Name: Alibi Zhabykpay

Student's Signature: Alibi Zhabykpay

Date: 10 May 2021

Supervisor's Name: Zhan-Tore Ayazbekov

Supervisor's Signature: Zhan-Tore Ayazbekov

For Supervisor's: Contact Disciplinary and Ethics Committee, if there are any ethical issues that seems controversial and unclear. Send this form and provide your explanation.