



EMPLOYER BRANDING AS A STRATEGIC ASSET: THE IMPACT OF HR REPUTATION ON BUSINESS COMPETITIVENESS

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Abstract

This article examines the importance of an employer brand for an organization as a strategic resource and its impact on business competitiveness. Given the knowledge economy and increasing competition for talent, a company's HR branding is becoming key to attracting and retaining talent. The article clarifies the meaning of an employer brand, its main components, and how to build it. It considers the contribution of corporate culture, employee value proposition, and communications approach to creating and maintaining a strong employer brand. It also examines the contribution of an HR brand to other organizational outcomes, such as reduced recruitment costs, increased retention and productivity, and overall increased employee engagement. It analyzes the economic value of a strong employer brand and the importance of an employer brand for a business's ability to survive over time. The article examines current changes in employer branding due to the digitalization of communications, the emergence of remote work, and the growing attention to employer branding and corporate social responsibility.

It is concluded that the formation and development of an employer brand require a systematic strategic approach and should be considered as an important element of human resource management and ensuring the sustainable competitiveness of a company.

Keywords: Employer brand, HR reputation, human resource management, business competitiveness, corporate culture, employer value proposition, labor market, personnel attraction and retention, strategic personnel management,



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intangible assets of the organization, employee engagement, company reputation.

Scientific Novelty

This study examines the strengthening of scientific novelty. Viewing employer branding as a strategic intangible asset of an organization increases the understanding of the direct impact of employer branding on business competitiveness in the modern knowledge economy. This study seeks to harmonize various theoretical approaches to employer branding and defines employer branding as encompassing a company's managerial, reputational, and market position as an employer. This study seeks to explain the correlation between a company's HR reputation and its financial performance, as well as recruitment effectiveness, turnover rates, employee engagement, and employee productivity. A company's employer brand is a strategic resource that influences the company's resilience and sustainable competitive advantage. Among the various elements that make up a strong employer brand, corporate culture, employer value proposition, transparent communications, and investment in employee development are the most significant.

The obtained results contribute to a deeper understanding of the role of employer branding in strategic management and offer a basis for developing practical tools aimed at improving companies' market competitiveness.

Purpose of the Study

The purpose of this study is to theoretically analyze employer branding as an organization's strategic asset and identify its impact on HR reputation and business competitiveness in the modern economy. The study also examines the mechanisms of employer branding and its role in attracting, retaining, and effectively utilizing an organization's human capital.

Introduction

Modern organizations increasingly view employer reputation not only as a personnel management tool but also as a strategic resource capable of directly impacting business performance. Building a strong employer brand allows



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companies to attract qualified specialists, retain talented employees, and build long-term trust in the labor market.

The origins of the employer brand concept can be found in the second half of the twentieth century. During this period, various ideas on human resource management began to actively develop in academic practice. During this period, researchers and practitioners gradually came to understand that employees are not simply performers of functions, but an important asset of the organization. The work of representatives of the marketing school of management, who proposed viewing the relationship between the company and the employee through the prism of the value proposition, played a special role in the development of the concept.

Widespread recognition of the term " employer branding " began in the 1990s. Two notable contributors are Simon Barrow and Tim Ambler . In an article they published in the mid-1990s, they proposed viewing employers as brands in the labor market. Their perspective posits that organizations create a unique set of values, benefits, and expectations that are imprinted on the perceptions of both current and potential employees. In the early 2000s, employer branding began to take center stage in importance due to a combination of factors, including the internationalization of labor markets, the development of digital communications, intensifying competition for top talent, and changing employee values. Modern workers are concerned about developing a sustainable competitive advantage.

On the contrary, having a negative reputation can lead to a loss of talent, reduced employee productivity, and a negative impact on a company's financial health.

The concept and essence of employer branding

In science and business, the term "employer" refers to various opinions about a company as a place to work. These opinions relate to potential employees, existing employees, and the general public, and include the perceived value of the corporation, working conditions and hours, opportunities for advancement, social responsibility, and the overall culture and climate of the organization. In strategic management, an employer brand is an intangible asset of a company. An employer brand, as an intangible asset of a company, is a direct reflection of



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the company's core values, management philosophy, and employee relations. A well-developed employer brand allows a company to create a unique identity in the labor market and achieve a competitive advantage.

Researchers also highlight key elements of employer branding. In addition to the functional, economic, and psychosocial aspects of the brand, there is also the benefit of working for the company. Functional benefits relate to working conditions and organizational processes. Economic benefits relate to the organization's compensation and benefits. In terms of organizational culture, psychosocial benefits include employees' sense of belonging, recognition and respect for their work, and opportunities for career advancement.

An important element of employer branding is the employer value proposition. In international practice, this element is often referred to as the EVP, which reflects the totality of benefits and opportunities an employee receives while working for a particular organization. [3].

A strong employer brand has a significant impact on a company's attractiveness to professionals. Evidence shows that organizations with a strong HR reputation receive more responses to job openings from top candidates and subsequently build successful work teams. Furthermore, employees at such companies demonstrate higher levels of engagement and loyalty .

The Role of HR Reputation in Strategic Management

HR reputation is the established perception of a company in the labor market, shaped by a combination of factors. These include employees' direct experience, job seekers' opinions, the company's internal and external communications, and media publications [4].

Modern digital platforms have significantly increased the influence of reputational factors. Social media posts, reviews on specialized websites, and employee comments can quickly shape public opinion about a company.

Companies with a strong HR reputation enjoy a number of strategic advantages. First, they are able to attract more qualified specialists. Second, such organizations experience lower employee turnover. Third, a high level of employee trust fosters increased productivity and innovation.



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Many international corporations view employer branding as an important element of their long-term strategy. Among the most well-known examples are Google, Microsoft, and Unilever [5]. These organizations actively invest in developing corporate culture, educational programs, and employee support initiatives.

Building a strong HR reputation requires a comprehensive approach. This includes developing a strong corporate culture, a clear communications system, a fair compensation system, and creating opportunities for employee professional growth.

Factors in Employer Branding

Employer branding is a complex and multi-layered process. It involves both internal management methods and external communication strategies. One of the most important aspects is corporate culture. [6].

A company's level of social responsibility has a significant impact on its perception. Today's employees increasingly pay attention to its organization's involvement in environmental and social initiatives. Supporting charitable projects, environmental programs, and educational initiatives helps build trust with employees and the public.

Furthermore, a company's communication strategies play a vital role. The use of social media, career sites, and professional platforms helps shape a positive employer image and demonstrate the organization's values to a wider audience [7].



Table 1 - Factors in the formation of employer branding and their impact on HR reputation

Factor in the formation of employer branding	Impact on the company's HR reputation
Corporate culture	Creates an atmosphere of trust, cooperation, and employee engagement
Motivation and reward system	Increases employee satisfaction and strengthens staff loyalty
Professional development opportunities	Helps attract ambitious professionals and retain talent
Corporate communications	Ensure management transparency and build employee trust
Social responsibility of the company	Forms a positive public image of the employer
Digital communication platforms	Expand opportunities for employer branding in the labor market

The table reflects the key factors influencing employer branding and reveals their practical significance for developing a company's HR reputation and increasing its attractiveness in the labor market.

The Impact of Employer Branding on Business Competitiveness

In today's environment, a company's competitiveness is ensured not only by the positive characteristics of its products and services, but also by high-quality human resource management. Employer branding, in this sense, is an important strategic tool that helps build sustainable competitive advantages.

A strong HR reputation only enhances a company's attractiveness in the labor market [8]. Organizations with a positive image receive more responses to their vacancies and are able to select the most talented candidates. This allows them to build professional teams capable of effectively solving complex problems and creating innovative products.



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However, employer branding also influences the speed with which vacancies are filled. Companies with a well-known and compelling reputation spend less time searching for employees. Potential candidates therefore perceive such organizations as preferred employers. This, in turn, reduces recruiting and onboarding costs.

Furthermore, the impact of employer brand health on employee turnover is also important. High turnover leads to significant financial losses. Organizations are forced to continually invest resources in recruiting, training, and onboarding new employees. A strong employer brand increases employee loyalty, reducing the likelihood of them leaving for competitors.

Research shows that employees at companies with strong corporate cultures are more engaged in their work. They are more likely to take initiative, propose new ideas, and strive to improve their performance. Thus, an employer brand also shapes the organization's innovative potential.

The economic impact of a strong employer brand

When considering an employer brand as a strategic asset, its economic significance must be considered.

One of the most obvious economic benefits is reduced recruitment costs. Companies with a strong employer brand receive more job postings without significant investments in advertising campaigns. Candidates themselves express interest in working for such organizations.

A good HR reputation also helps companies improve their salary structure. Research shows that professionals are sometimes willing to accept offers with slightly lower salaries if the company has a strong reputation and offers good opportunities for professional advancement [9]. This creates additional opportunities for company growth.

Finally, a strong HR reputation contributes to corporate resilience. During periods of economic instability, employees of companies with a strong corporate culture are more likely to support the organization and work together to overcome crises.



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Employer Branding Strategies

Building an effective employer brand requires a systematic approach and a long-term strategy. One key step is analyzing the current perception of the company in the labor market. This is accomplished through employee surveys, employee satisfaction studies, and candidate feedback analysis.

The next step is to develop an employer value proposition. It should reflect the real benefits of working for the company and meet the expectations of the target audience. It's important to consider the characteristics of different generations of employees, as their professional values can vary significantly.

Developing a corporate culture is crucial. A culture of trust, mutual respect, and collaboration strengthens a company's HR reputation.

Equally important is the development of internal communications. Employees must receive timely and reliable information about the organization's goals, achievements, and development plans.

Modern companies actively use digital communication channels to promote their employer brand. Social media, career portals, and professional platforms allow them to showcase their corporate culture and share the real-life experiences of their employees.

Many international organizations, including LinkedIn and Glassdoor, have become important platforms for HR reputation building. Employee reviews and company publications on these platforms significantly influence job candidates' decisions.

Current trends in employer brand development

The development of digital technologies and the changing structure of the labor market are changing the way employer brands are created. One of the key trends is the increasing importance of transparency. Employees and candidates demand absolute honesty from companies in their corporate policies and working conditions [10].

Companies that allow their employees to balance work and personal life gain advantages in the labor market.



Conclusion

In today's environment, employer branding is becoming an important strategic asset for an organization.

A strong HR reputation has a comprehensive impact on a business's competitiveness. It helps attract qualified specialists, reduce turnover, increase employee engagement, and boost productivity. Furthermore, a positive employer image builds trust with clients, partners, and investors.

In the knowledge economy, human capital becomes the foundation for sustainable company development. Therefore, investments in employer branding should not be viewed as an additional expense, but as a strategic investment in the long-term competitiveness of a business.

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