

Applying of employer branding system in the IT-companies' human resource management

Aplicación del sistema de marca empleadora en la gestión de Recursos Humanos de las empresas de tecnologías de la información

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ABSTRACT:

The article dwells upon various aspects of employer branding in information technology (IT) companies and related issues: the prevalence of popular system of values in the professional field and their use in forming the company's value offer, the most effective channels for disseminating information about the employer in the IT sphere; creation of a technology brand as part of a successful company's employer brand.

Keywords: Human resource (HR), management, employer brand, employer branding, technology brand, IT.

RESUMEN:

El artículo se centra en varios aspectos de la marca empleadora en las empresas de tecnologías de la información (TI) y aborda diversos temas como la prevalencia del sistema popular de valores en el ámbito profesional y su uso en la formación de la oferta de valor de la empresa. El documento estudia los canales más eficaces para la difusión de información sobre el empleador en el ámbito de TI y la creación de una marca de tecnología como parte de la marca empleadora de una empresa de éxito.

Palabras clave: Recursos humanos, gestión, marca empleadora, marca de la tecnología, TI.

1. Introduction

The field of information technology is one of the most difficult in terms of staff recruitment on the Russian labour market (Indeks HeadHunter, 2018). It happens due to low job competition among candidates in the professional field, a large proportion of highly specialized specialists, as well as job seekers' high demands. One of the ways to solve the problems of hiring and retaining staff in the IT-sphere is to create a successful employer brand and technology brand of the company. These processes in organizations connected with the IT-industry, have their own characteristics, which will be discussed in the article.

2. Employer branding and recruitment difficulties in IT companies

Employer branding is the process of creating a favorable employer's image in the labor market in the perception of applicants and current employees (Kaminskiy, 2016). According to surveys of one of Russia's largest career websites, www.hh.ru, in 2018, work over employer branding was one of the priority tasks for HR managers in 38% of companies represented in the Russian labor market (Almanac HeadHunter, 2018). Thus, the practice of employer branding can be called widespread in Russia (Andreyev, 2016).

The practice of companies with employer brand can be divided into three main components (Gromova, 2016):

- 1) Research of employer brand (its current state and perception by employees and applicants);
- 2) Development (creation of value offers and brand development);
- 3) Employer brand promotion (communication in the labor market) (Obzor rynka truda HeadHunter, 2018).

The main goals and objectives of employer branding can be divided into two conditional categories, they are external and internal. The external ones refer to the recruitment process and serve to increase the efficiency of the personnel selection (Patosha, 2016). These objectives include the following: increasing the number of

responses to the vacancies, improving the quality of responses and incoming curriculum vitae (CV), increasing the share of responses of unique specialists, reducing time and costs of closing vacancies, increasing the number of recommendations for selecting and improving the quality of referrals, reducing the number of refusals when inviting candidates and etc.

The internal tasks of employer branding relate to relationships with already working in the company employees and serve the purpose of reducing staff turnover, increasing loyalty and inclusion, accelerating and adapting newly hired employees (Tikhonov and Konovalova, 2019). In English-language literature, the term employee branding is often used. That is branding aimed at company's employees (Katarina, 2012).

The more important both external and internal objectives, the more intense competition the employer experiences in the labor market in the struggle for the best specialists. The level of competition depends both on the type of hired employees and on the characteristics of the organization itself, even if the company requires specialists in highly demanded professions, it can vary the requirements for candidates, focusing, for example, on beginners or mature specialists whose demand may be lower.

The professional areas with the highest level of competition for specialists include high-tech areas; in particular it is the field of information technology. IT companies are really experiencing intense competition for the best candidates. Two thirds (67%) of IT companies in the Russian market claim that a professional group of IT specialists is the most difficult to select in the labor market (among companies that work outside of IT sector, the percentage of those who think as well is even higher, they represent 69%) (Almanac HeadHunter, 2018).

According to www.hh.ru, the average competition of programmers in the professional field at the start of 2019 was 2.7 candidates for one vacancy. For comparison, the overall level of average competition in the Russian labor market, according to the same service, is seven candidates for one vacancy, which is more than two times higher than in the IT sphere. This situation is beneficial for applicants, but not for employers.

Note that in reality, companies often have to make selection in an even lower level of competition when it comes to highly specialized employees. Thus, competition among software developers, one of the most massive strata in the professional field, may be even lower than the average level of competition in the IT sphere as a whole. For example, in 2017, one vacancy of a JavaScript programmer (one of the most popular programming languages in terms of frequency of mentioning in vacancies) accounted for an average of 1.2 candidates; it is a relatively low value even for a professional IT field.

Software developer in particular, 80% of IT companies in the Russian labor market consider as the most difficult specialization for hiring (among other companies this figure is 78%) (Almanac HeadHunter, 2018). Often hiring a qualified software specialist supposes a set of specialized requirements, which includes not only knowledge of a particular programming language (the most popular languages in terms of demand are at least six: Java, JavaScript, C #, C ++, PHP and Python), but also the ability to work with specific software tools, relevant experience (for example, front-end or back-end development, experience as a full-stack programmer), necessary skills and qualities (for example, skills of extreme programming or using other agile methods) (Akhmetshin et al., 2019).

A large variety of possible requirements, a big proportion of highly specialized employees — all this makes it even more difficult to select personnel in the category in question. In such circumstances, the importance of any additional opportunities to attract or retain staff, including employer branding, is increasing (Fedotova, 2018).

3. Employer branding in IT companies: Russian experience

The work on the targeted attraction of IT-specialists through reporting information about the benefits of employment in the organization is conducted by a fairly large number of companies in the Russian labor market. Among IT companies, such are 80%, among other companies on the market there are 23%.

Among IT companies that are purposefully involved in attracting IT employees, the most popular activities to attract specialists are participation in conferences (67%), activity in social networks (58%) and cooperation with universities (54%) (Tikhonov, 2019). One-third of companies (33%) talk about the advantages on work sites and professional resources (blogs). 29% of companies use job fairs, and another 25% independently organize meetings (meetups) for IT specialists. 21% of IT companies have their own programming school, 17% have their own website or a section on professional topics. 8% of companies place open source software on specialized resources in order to attract specialists (Bordyugova, 2018).

IT companies' activities for attracting candidates are primarily aimed at the most valuable specialists in the labor market, this is indicated by the value proposals (EVPs) that are broadcast by companies as part of their employer branding promotion activities. They constitute the core of the company's employer brand.

The most frequently promoted value by IT companies is the attractiveness of their projects, tasks and product, 76% of employers in the IT field (from those who, in principle, are involved in attracting IT specialists) tell about this advantage.

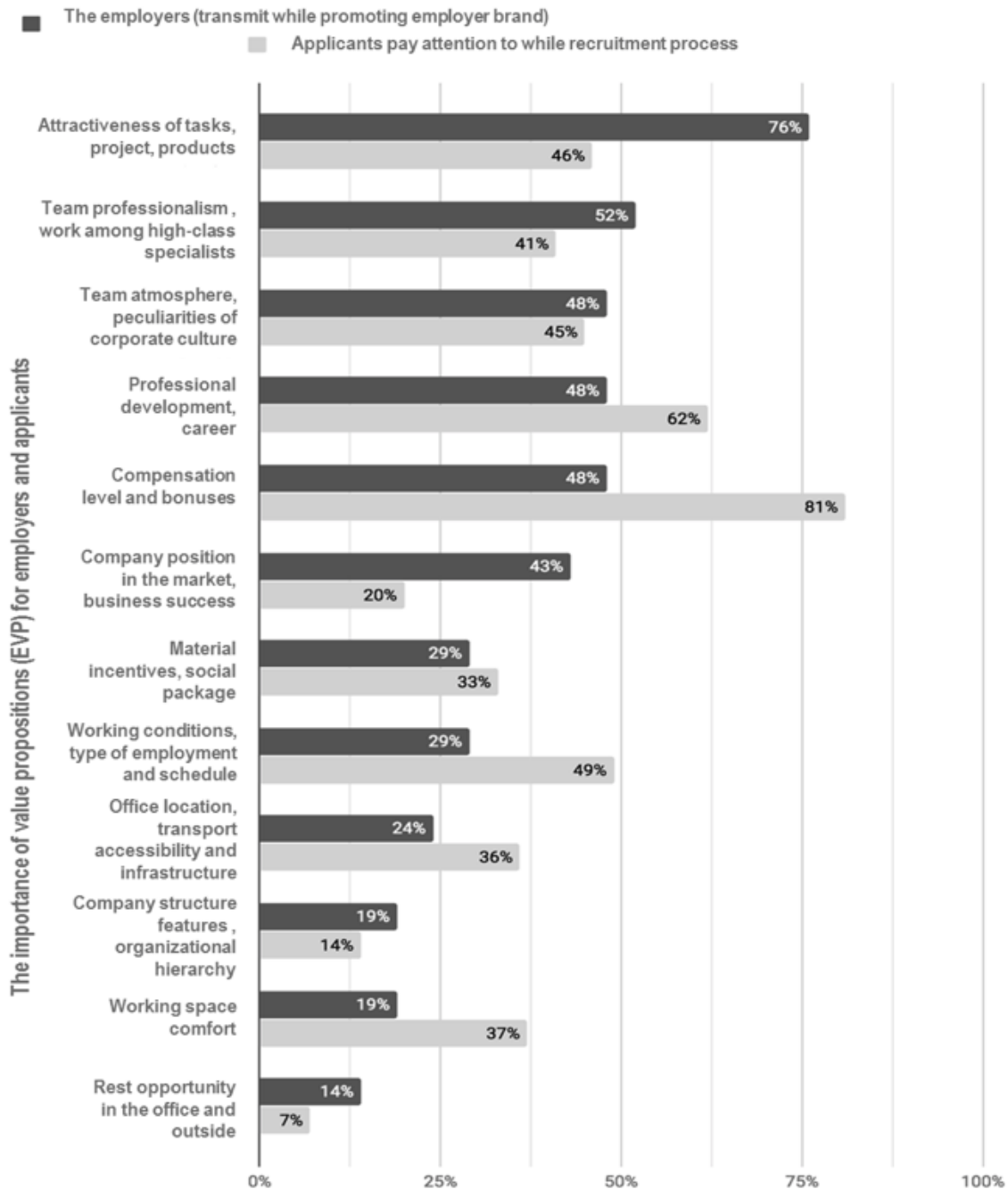
Approximately at the same level in popularity among companies are the following values: professionalism and team specialists' quality (52%), the atmosphere and corporate culture in the company (48%), professional and career development (48%), the level of payment and bonuses (48%), position and authority of the company in the market (43%).

Applicants in the "Information Technologies" professional field rank the same values in a different order (according to their importance when choosing an employer). The main values for candidates are salary (81% of applicants noted as important for them) and professional and career development (62%). Popular values that employers generally shared with applicants turned out to be: the atmosphere and corporate culture (45%), team professionalism (41%), material incentives and social package (33%).

Also, important values for applicants, but less often promoted in the activities of employers, are: convenient working conditions (schedule, type of employment) (49%), comfort of working space (37%) and office location (transport accessibility) (36%).

Figure 1

Which value propositions (EVP) are more often promoted by employers, and which of them are more often important when finding employment for applicants



Almanac HeadHunter, 2018

A poll conducted by Headhunter company in 2016 among specialists of the professional IT field “What attracts you to the IT sphere?” showed that the most important aspect for job seekers when choosing a profession is interest in the work and the projects being implemented. It was chosen by 86% of respondents versus 39% who chose wages, which is consistent with the ranking of values by employers, this aspect of employment really turns out to be valuable in the professional environment. Nevertheless, at the moment of hiring, the values of applicants become more pragmatic in the IT sphere than when choosing a profession, and the importance of specific projects remains far from being the prevailing value for all employees.

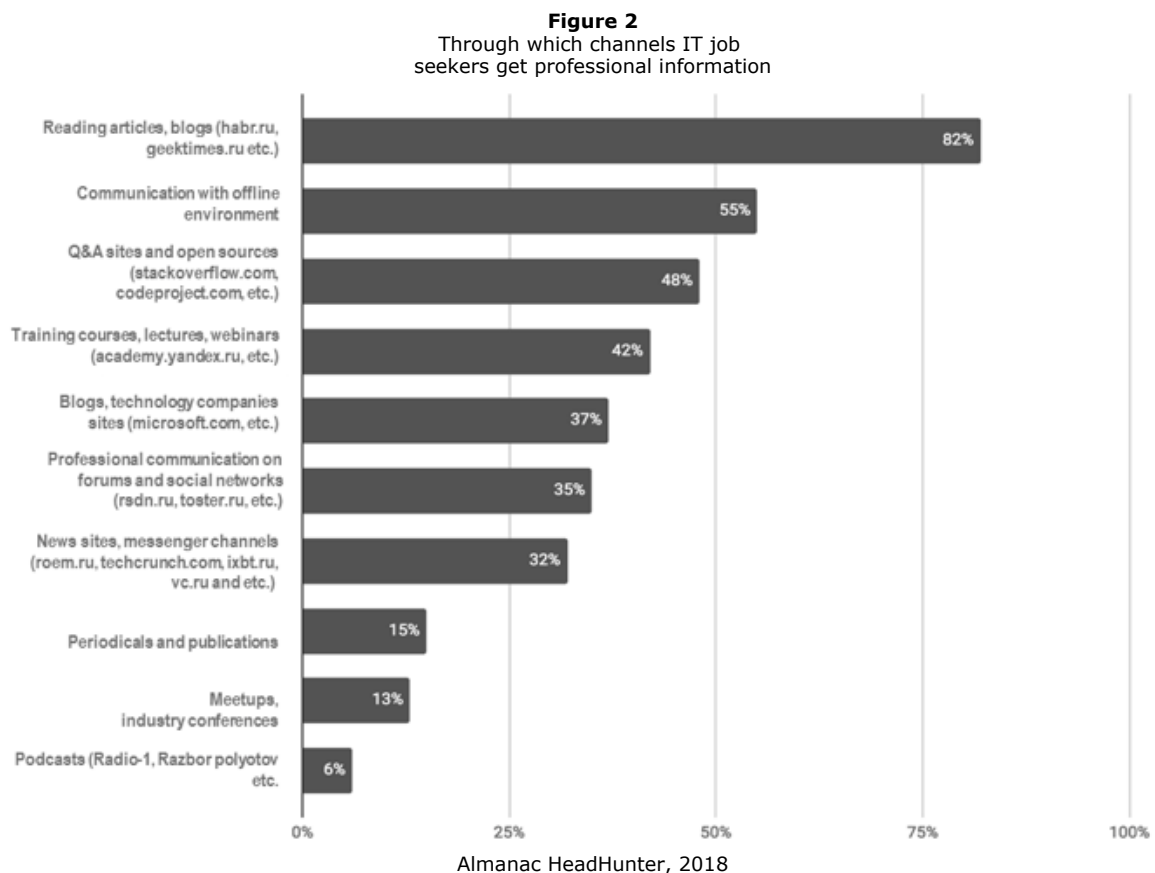
Thus, Russian companies do not have the task of promoting precisely those values that are shared by the vast majority of applicants in the IT field when looking for a job, for example, salary or career opportunities. In a situation of high competition for specialists, the size of the proposed salary is often not fixed, especially if talking about the most valuable IT specialists with extensive experience (for whom career growth may no longer be decisive). In addition, a high salary itself is often a “default” value for them, which experienced professionals are able to realize in any case, regardless of the specific employer. Therefore, such specialists can more often be guided by additional preferences like the type of comfortable working conditions or projects’ attractiveness, or even make a sacrifice of a small part of the salary. For example, a survey of IT specialists in 2016 showed that

47% of them would prefer a more interesting job with a lower salary than vice versa, that is, almost half of all applicants in the professional field.

Hunting and retaining rare experienced specialists are priority areas for many IT companies, since they are the most deficient in the labor market. This may be one of the reasons for promoting that set of values when building an employee brand that most closely meets the expectations of valuable specialists.

The most effective channels for promoting these values in the framework of employer branding are resources that are popular among professionals, where users and companies post blogs and articles on specialized topics according to www.hh.ru survey, 82% of IT professionals receive professional information there. Approximately half of applicants in the IT sphere receive information in offline communication (52%) (which demonstrates the effective capabilities of referral recruitment in the field) and on "question and answer" (Q&A) sites on IT topics (48%).

But news publications on IT-topics are not the most successful channel for advertising an employer brand as not more than one-third (32%) of applicants in the professional field are present.



4. Technological aspects of IT companies employer brand

As applied to high-tech companies, people often talk about the technological viability of the brand they are promoting (or, in other words, about the company's technology brand). The more developed the technology brand, the more technological the company looks for its customers and consumers (Akhmetshin, 2017).

Technology brand may also form part of the company's image as an employer, working for the company in the labor market and being in this case the object of attention of applicants and current employees. Creating an employer brand in an IT company is somehow connected with the development and promotion of its own technology brand, although not all companies in the market consciously pay attention to this area.

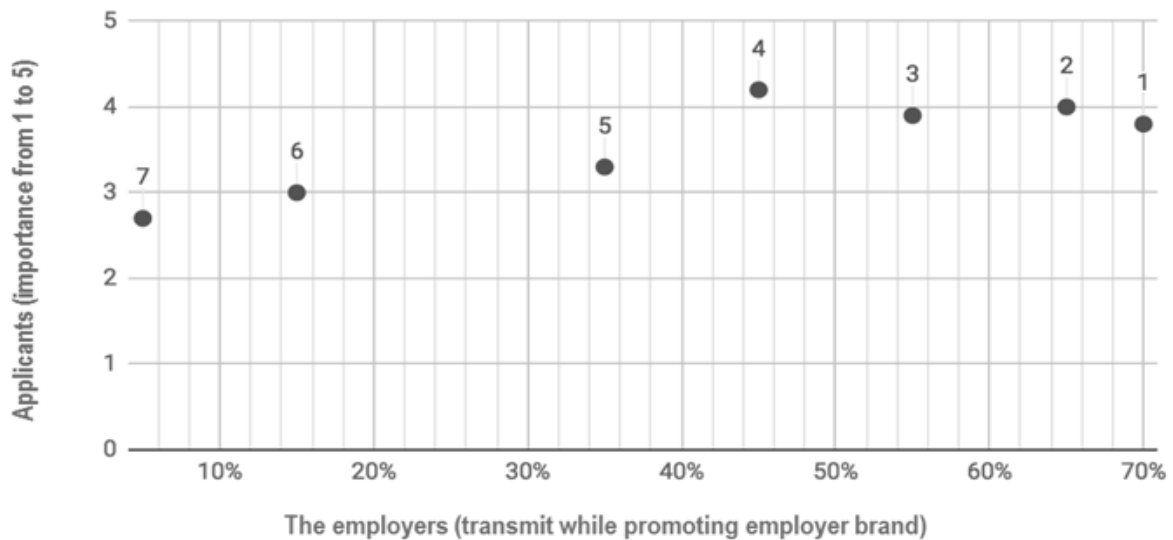
According to statistics, only every fifth (20%) IT-company in the Russian market is purposefully involved in the development of technology brand, and a quarter (27%) thinks of such a possibility. Almost half of the companies (47%) are not sufficiently aware of technology brand as a direction for the development of communications and find it difficult to answer the corresponding question. Only 7% of companies deliberately refuse to develop technology brand.

Usually, the HR department does not directly participate in the development of technology brand, being only a link between the company's technological core and applicants from the IT sphere. In 50% of companies from those who develop their technology brands, either the marketing and PR department together with the IT department or one of them is responsible for this process. Only in 17% of companies the HR department is included in the work on the technology brand. Every third company (33%) has a special employee or several employees working in this area.

The main components of companies' technology brand as a part of the employer brand in attracting applicants are: the depth and scale of the projects implemented (70% of companies focus on this when attracting applicants), the use of modern technology stack (65%), progressive methods of work organization (55%), work on modern equipment (45%).

Although the set of technology-related values for applicants turns out to be the same as that of employers, applicants rank the values in a different order. For job seekers, the most important aspect is the material and technical support of the workplace (means the availability of modern equipment), and only after that there is a modern technology stack, organization of work processes and attractiveness of projects.

Figure 3
Which technology-related values are more often promoted by employers, and which of them are important for applicants (Almanac HeadHunter, 2018)



Legend:

- 1 — Depth and scale of ongoing projects (diverse / interesting projects).
- 2 — The use of modern technology stack (modern, latest developments).
- 3 — Building workflows (for example, reviewing the code within the team, preventing a “bloody enterprise”, etc.).
- 4 — Material and technical equipment (work on modern equipment).
- 5 — Flexibility of project management approaches (Scrum, Kanban).
- 6 — The size of the technical department.
- 7 — Team structure (hierarchical structure, the presence of professionals with the name).

It follows from the above data that Russian employers in the IT sphere should pay more attention to the promotion of values associated with the equipment of the working space as this applies to both the technological part of the office and the overall comfort of the workplace (which was discussed above). For applicants, these values are quite important, while employers rarely include them in the list of the most actively transmitted in the process of promoting their employer brand.

5. Employer brand aspects affecting the company’s attractiveness for existing employees: the case of a foreign company

As mentioned earlier, employer branding, in addition to external tasks, also has internal ones it is an impact on the current mood of the staff, on their loyalty and dedication, on adaptation.

Researchers at UK Cranfield University interviewed employees of IT companies on their attitude to various aspects of their employer brand. Having selected the answers according to the degree of indifference towards those or other working questions (and separating neutral ones), the researchers identified four categories of concerning questions to employees (Maxwell and Knox, 2009).

Each of the categories relates to one of the important aspects of a company's employer brand it is employment (everything related to it), organizational success (general indicators of a company's success), the company's external image (place in the market) and the quality of the final product or service. The first category, in turn, is divided into six subcategories reflecting various aspects of employment such as the quality of job compensation, management style, relations between employees, type (attractiveness) of projects, team atmosphere and relations between superiors and subordinates.

Only the last subcategory was not widely represented in the responses of online surveys in the Russian labor market, discussed above. All other categories and subcategories anyway turn out to be important for both British and Russian IT candidates. This shows the common values in IT companies, which may reflect the structure of the industry with a high globalization degree, in which the professional identity of employees is stronger than national differences.

6. Conclusions

Employer branding in an IT company may serve as a tool for retaining and attracting staff if its value and technology core corresponds to the values of the applicants’ target group. In addition to the size of salaries, special attention of IT employers should be focused on the issues of quality of work; it is equipment and comfort of the workplace, attractive conditions and flexible organization of work. Especially when it comes to hunting the most valuable and rare professionals, for example, highly specialized software developers.

IT companies should also pay special attention to the processes of creating their own technology brand as part of the attractive employer brand. Proposing applicants, a modern technology stack, a technically equipped workspace and interesting ongoing projects can greatly strengthen the company's position in the labor market, which will affect both the struggle for the best specialists and the motivation, loyalty and dedication of current employees.

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