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EMPLOYER BRANDING IN STARTUPS

– case startup company: CupoUnion

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EMPLOYER BRANDING IN STARTUPS

- case startup company: CupoUnion

This thesis focuses on the Employer Branding in startups. The research was held within a Human Resources department of the startup company CupoUnion Ltd. The objectives of this study can be divided into theoretical and practical ones. The theoretical objective was to figure out, whether it makes sense for startups to invest money in employer branding. And, if it does, how startup companies can build their employer brand considering unique context and special circumstances of startups operations. The practical objective of this research is to identify the strengths and weaknesses of employer branding in the case company in order to analyze the current state of internal employer branding at CupoUnion Ltd and to make the recommendations for future improvements.

The theoretical data for this study was collected from the different sources, mainly academic articles and books. The mixed research method was applied in this thesis because both quantitative and qualitative methods were used to collect the data. Additionally, the online questionnaire was chosen as a technique to hold the survey.

Based on the findings, case company has received an overview of the status of its internal employer branding based on different metrics such as employee engagement, employee satisfaction, working relationships etc. Finally based on the research further suggestions were presented, how to strengthen employer branding at CupoUnion Ltd.

KEYWORDS:

Employer branding, Branding, Human Resources, Startup

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LIST OF ABBREVIATIONS (OR) SYMBOLS

| | |
|-----|-----------------------------|
| EVP | Employee Value Proposition |
| HR | Human Resources |
| CV | Curriculum Vitae |
| SME | Small and Medium Enterprise |

1 INTRODUCTION

This thesis focuses on the Employer Branding in startups. The concept of employer branding nowadays is becoming more and more popular and is taken into consideration by many employers (Boella and Goss-Turner, 2013, 265). It is obvious that success and quality of work in a company depend on quality of its employees. Nowadays employers look for employees, who are able to face the fast growing, technology driven and international business environment. However, the challenge for organizations is not only to find such employees, but also retain them in the company for a long term. That is why companies must have a corporate identification in order to attract and retain such talents (Chhabra & Sharma, 2014, 48).

The first definition of employer branding can be found in the Journal of Brand Management (December 1996). The definition was given by Simon Barrow and Tim Ambler (Boella and Goss-Turner, 2013, 267). According to Barrow and Ambler the employer branding concept was defined as “the package of functional, economic and psychological benefits provided by employment, and identified with employing company” (1996, 186). Referring to Chhabra and Sharma employer branding as a discipline is still evolving (2014, 50).

The employer branding concept has been researched since 1996 and nowadays there can be found a plenty of literature and online materials about employer branding. However academic literature concentrates mostly on multinational or well established organizations and mostly considers the topics that are not relevant for startups (Balmer & Gray, 1999, 171-179; Bresciani & Eppler, 2010, 356). It is clear that young businesses have different needs than mature organizations in terms of employer brand management. It is basically because startups have lack of resources, lack of internal structure and processes in comparison to large enterprises to develop their employer branding. (Rode & Vallaster, 2005, 121-135)

In fact, the number of startup companies grows extremely quickly and it becomes harder for them to be different from similar startups in the same niche. That is why startup employers should consider employer branding as a potential tool in order to become more outstanding than their startups competitors, since a strong employer branding is able to differentiate a company within the competitive environment and should help them to attract the best talents. (Hubschmid, 2013, 50; Forbes 2013 [referred to 23.03.2016])

There is a vast amount of literature and researches about employer branding and startup companies. Yet there is still a very little connection between these two fields (Bresciani & Eppler, 2010, 356). It can be underlined, that due to lack of findings on implementation the employer branding in startups, there is a need for the research in this area. That is why this thesis is aiming at exploring employer branding in startups.

1.1 Motivation

I became interested in this topic during my practical training and my experience of working as a talent acquisition specialist in Human Resources department in a startup company called CupoUnion. Dealing every day with a variety of tasks and challenges, I acquired lots of knowledge in HR related topics and understood, how a startup company operates. I quickly entered into internal processes of HR department and received a clear overview of the company's needs. During my practical training I faced several issues in terms of recruitment like attraction of new employees and retention of existing talents. It is needless to say, that an effective employer branding strategy can resolve these issues (Boella & Goss-Turner, 2013, 267). Employer brand can be understood as a company's image in a job market, which has a direct influence on recruitment processes, talent retention and company's reputation. Reputation of a company can be considered as a useful resource to contribute to the developing of competitive advantage of the company. (Sivertzen, Nilsen & Olafsen, 2013, 473)

Due to the fact that there was not enough attention paid on employer branding in the startup where I was working, I became interested in this topic and passionate to find out whether employer branding can be as much important for startups as for large companies. Additionally, I wanted to apply a strategy of building an employer branding on a real practical example of the startup. That is why a choice of the final topic for the thesis was obvious for me.

As a business student specialized in human resources, I think this is a great opportunity to combine my knowledge from my working experience in a startup company and make theoretical and managerial contribution to the topic employer branding focusing particularly on startups. In addition, I will be able to bring a significant managerial contribution to the case company called CupoUnion by conducting a survey and exploring the current state of internal employer branding at this company. In addition, based on the analyzed data, I will make suggestions on how CupoUnion can develop its employer branding.

1.2 The objective of the thesis and research questions

The objective of this thesis is to find out whether startup companies should invest in employer branding and to identify, what is the current state of internal employer branding in the case startup company. Based on the research findings some practical recommendations were given on how to implement an employer branding strategy at CupoUnion.

The thesis is designed to answer the following questions:

Theoretical part:

1. What does employer branding mean?
2. Should startup companies invest money in employer branding?
3. How startup companies can build their employer branding strategy?

Practical part:

4. What is the current state of internal employer branding at CupoUnion?
5. Which improvements can be implemented in order to strengthen employer branding at CupoUnion?

1.3 The structure of the thesis

The second chapter describes, what employer branding means and focuses more closely on what the different strategies and tools can be used by the companies in order to build a successful employer brand. Moreover, it is going to be identified, what the key characteristics of successful employer branding are. Additionally, the chapter is aiming at explaining the importance of employer branding for the companies. This chapter seeks to answer the first, the second and the third research questions.

The third chapter concentrates on the case startup and demonstrates the company`s operation, mission and goals. This information is given in order to create a better overview of CupoUnion and understand how employer brand can be built in the case company.

The methodology chapter illustrates, how the survey was implemented by focusing on the research method, techniques and the target group. In addition, the chapter discovers the validity of the research.

The fifth chapter seeks to answer the fourth and fifth research questions. It focuses on the actual research and analyzes of findings based on the online questionnaire. Also this chapter applies the theory from Chapter 2 on practice. Finally, it gives practical improvements for the case startup.

2 LITERATURE REVIEW

First of all, it is necessary to give a clear explanation what employer branding means. The following sections are focusing on the definition and the importance of employer branding. Additionally, characteristics of successful employer branding are also discussed in those sections. The clear understanding of the concept helps to understand, which strategies and tools can be used in order to build successful employer brand in a startup company, both internally and externally. Finally, a strategic approach is demonstrated in Section 2.3 exploring how startup companies can start to build its own employer brand.

2.1 Definition and goals of employer branding

According to Gehrels and Looij „Employer branding is the strategy that a company can use to differentiate its brand as employer from their competitors, with the purpose to provide the company with good applicants and to maintain talent within the organization” (2010, 3). In a nut shell, employer branding can be defined as a long-term strategy of promoting a company to target group/target talents as the best place to work (Hubschmid, 2013, 48-49; Chhabra & Sharma, 2014, 49-50). Referring to Backhaus and Tikoo a strategy of employer branding combines both marketing and human resources strategies (2004, 501-517).

The main goal of shaping an employer branding is to attract and retain the right talents and additionally reach the multiple goals of human resources management. In fact, as it is important for companies to search for new talents, it is equally important for these potential talents to be attracted by those companies. (Chhabra & Sharma, 2014, 49-50). Furthermore, employer branding focuses on both internal and external perspectives of positioning a company as the best employer (Hubschmid, 2013, 47). Internal and external employer branding are discovered in the Section 2.1.2.

Successful employer branding can be identified by variety of different characteristics. The following points are taken from the work of Figurska and Matuska and explain important characteristics of successful employer branding (2013, 35-45):

1. Work life balance. This characteristic is essentially important to consider for building employees loyalty and as a result to reach high level of employee retention;

2. Competitive benefits and compensation program. It is necessary that employees feel appropriately and fairly paid for the work they do;
3. Treatment of employees with respect and as an individual;
4. Positive work environment;
5. Trustful working relationships between employees and managers;
6. Communication and availability. Meaning that employees should feel that they are recognized and important for their boss;
7. Placing the right talent on the right job;
8. Workplace flexibility. Meaning that employees have an option to work flexible working hours.

2.1.1 The importance of employer branding

Nowadays social media makes many companies transparent (Sivertzen, Nilsen & Olafsen. 2013, 470-475). It is obvious, that people tend to join the company with a good reputation and also to stay in a company for a long time, if the company is considered as an employer of choice. Referring to Mosley employer branding together with effective recruitment and retention of employees have a strong influence on business results (2014, 13). LinkedIn survey, which was hold in 2011, carried out 2250 corporate recruiters and examined the influence of employer branding on hiring process. The research has shown the result, that companies with developed employer branding have the average cost per hire lower than those firms that have no employer branding. In addition, the research revealed that the fluctuation rate among organizations with successful employer branding was also much lower than companies with rather poor employer branding (Mosley, 2014, 12-13).

Employer branding gives a competitive advantage to a company, because its activities enable to attract potential employees and retain the existing talents within an organization. Employer branding significantly helps to build a company the world known reputation. Being globally known, firms have a chance to attract talents from all over the world and as a result to promote diversity and keep a wider pool of candidates (Chhabra & Sharma, 2014, 49-55). Additionally employer branding is important in order to provide a company with long term recruiting needs. This is however only possible in case, if a company can attract a wide pool of candidates. Furthermore, due to the fact that social media has a crucial role in spreading information, employer branding is able to shape and strengthen online visibility of a company. Finally employer branding makes

companies to have more influence on their employees. It is essentially important, because what employees say about the company they are working for, will have direct influence on perception of the potential talents and company`s customers. In other words internal employer branding has a direct impact on external employer branding. (Boella & Goss-Turner, 2013, 267; Figurska & Matuska, 2013, 37-38):

The difference between internal and external employer branding and its interdependence are discussed in the next section.

2.1.2 Internal and external employer branding

Generally, companies tend to pay more attention on external rather than internal activities. It means that sometimes employers mistakenly think that investing their budget on the marketing and promotion activities to attract new employees is more important than wellbeing and general satisfaction of already existing talents. However, it is necessary to emphasize that investing on both internal and external employer branding is equally important. In order to build both internal and external successful employer branding, companies should prioritize the goals they want to achieve by building employer branding and maintain a balance between internal and external activities. (Chhabra & Sharma, 2014, 49)

As a rule, organizations that consider their current talents as their first customers, make their external customers more satisfied, because as a consequence the employees tend to take more care of them. Additionally, it is widely known that internal perceptions are transferred to the external environment through current and former employees of the company. This emphasizes that internal and external actions of an organization are interdependent. (Chhabra & Sharma, 2014, 49)

According to Chhabra and Sharma the goal of internal employer branding is to make employees be committed to the company`s values and objectives (2014, 50). Chhabra and Sharma state that "Internal branding is increasingly seen as a doctrine to ensure employees' delivery of the brand promise by shaping employees' brand attitudes and behaviors" (2014, 15). Referring to Amara internal aspects of an employer branding covers (Amara 2014 [referred to 26.03.2016]):

- Company`s vision and mission
- Company`s culture and values

- Compensation, rewards, benefits, healthcare, employee engagement activities, employee growth opportunities, learning and development programs, feedback sessions
- Employee referral program
- Employee recognition
- Worklife balance
- Corporate social responsibility etc.

It is stated in the work of Backhaus and Tikoo, that external employer branding aims to attract a target group (potential employees), customers, and additionally to create a corporate image and to support the products or services of a firm (2004, 501-517). According to Amara, external aspect of an employer branding includes (Amara 2014 [referred to 26.03.2016]):

- Market performance. It means, how efficient a company is in producing its products and services;
- Product performance. It means, in which extent customers are satisfied with the products and services produced/offered by a company;
- Public and media relationships. Meaning, what the corporate image of the company in mass media is and whether a company is recognized by public;
- Website and social media. Meaning, what the reputation of an organization on social media is;
- Work place rankings. Whether a company has any awards, for instance “Best place to work” etc.

2.2 Employer brand building

It is essentially important to notice, that each organization, no matter if it is a big concern or a startup, must answer the following questions before starting to build an employer brand. These questions must be answered in order to reveal the weak sides of the organization and to understand what is it necessary to focus on when building employer branding (Boella and Goss-Turner, 2013, 267). The Table 1 illustrates the main questions on the left side and the bridging questions on the right side, which are aiming to help answering the main ones.

Table 1. Questions to be answered before building an employer branding strategy. (N. Sirotina 18.03. 2016, own study based on Boella and Goss-Turner 2013, 267).

| Questions | Sub-questions |
|---|--|
| What are the main difficulties does a company have at the moment? | Does a company have difficulties to attract new talents and keep the pool of candidates constantly full? Does a company have troubles with high fluctuation rate and retention of existing employees? |
| What is the target group of the company? | What are the expectations of a target group? What are the values of a target group? Which sources do they use to search for a job? |
| How a company can appeal its target group? | Work-life balance Working environment Flexible hours Rewards and compensation programs Employee well-being HR events: teambuilding etc. Induction and orientation programs Training and development schemes |
| How does the recruiting process look like in a company? | How do the job descriptions look like/ are they appealing the target group? How much time does the recruiting process take? What is a selection criterion? |
| What is the reputation about a company internally and externally? | What do current employees say about the company? Are the current employees satisfied/happy to work for the company? What do the customers and potential candidates think about the company? |

At this point it is also necessary to give an explanation of the Table 1. "What are the main difficulties does a company have at the moment?" A company should identify what it struggles to deal with. For example, a company might have problems to attract new talents and keep the pool of candidates constantly full or it could have troubles with high fluctuation and retention of existing employees.

"What is the target group of the company?" It means that an organization must clearly understand what kind of people is needed, what would be their skills, characteristics,

qualifications, experiences etc. Additionally, a company should pay attention which sources the target group uses to search for a job. In that sense a company will know than which sources to use to search for their potential talents.

“How a company can appeal its target group?” A company needs to define what its value proposition is. For instance, it can be an extensive benefit program, flexible working hours etc. This step can help to answer the question why qualified talents should prefer a certain company over another (Hubschmid, 2013, 49).

“How does the recruiting process in a company look like?” In fact, recruiting process can have a huge impact on the first impression of a company. That is why it is necessary to look at the process from the candidate point of view and pay attention on all the details from job posting up to hiring.

Finally “What is the reputation about a company internally and externally?” In order to answer this question, different surveys could be conducted among current workers to find out the employees’ happiness level. It is important which information the employees spread about the company, because this might affect the perception of customers and potential candidates on a job market, meaning that internal reputation of a company has direct influence on external one (Chhabra & Sharma 2014, 49-50). (Boella and Goss-Turner, 2013, 265-270).

It is important to pay attention, that these questions were applied on the case company in Chapter 5, Section 5.1.1. Once those questions are answered, the employer branding strategy can be built in the company. The way, how employer branding can be built, are described in the next section.

2.2.1 Employer branding strategy

The process of building an employer brand strategy can be explained by five steps. This building process can be applied for any type of business (Figurska, Matuska, 2013, 44-45). The Figure 1 illustrates those five steps:

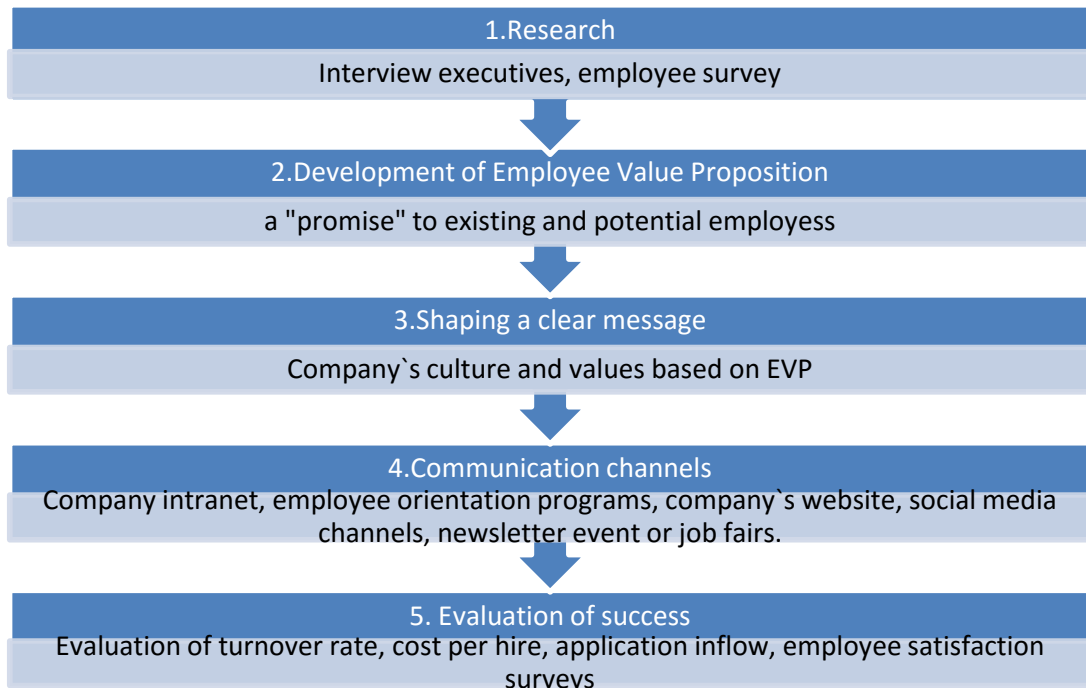


Figure 1. Strategic approach to employer branding. (N. Sirotina 23.03.2016, own study based on Figurska, Matuska, 2013, 44-45).

The above Figure explains five-step actions of a strategic approach to build an employer branding. The first step research is an unavoidable step of building an employer branding strategy because it might be different perception of what employer himself thinks about the company and what employees and customers think. That is why an employer needs to figure out it by conversing with its employees and stakeholders. An employer can use different methods to converse such as employee engagement and satisfaction surveys, external image research etc. (Mosley, 2009, 8). Secondly based on that research, employee value proposition (further EVP) can be shaped. EVP communicates what company wants to offer to employees (Backhous & Tikoo, 2004, 502-503). According to Umarani, EVP should characterise employer and make him different from competitors. Focus groups, online surveys and conversing with existing and potential employees will help to find out employee value propositions for the company (Umarani, 2013, 22).

The third step is shaping a brand message (Backhous & Tikoo, 2004, 502-503). This brand message must be based on EVP (Chhabra & Sharma 2014, 49-50). A brand message should be clear, logical and specific which creates a better awareness and a stronger reputation among employees and external customers (Mosley, 2014, 13). After the message has been created an employer should consider different channels how this message can be communicated to the existing and potential employees as well as to the

customers. It could be done by using the company's intranet, training materials, job descriptions, company's website, social media, network with local universities, job fairs etc. Finally, the impact of employer branding must be evaluated. In fact, it is challenging to measure the benefit of employer branding. There is a need to invent a measurement system in order to analyze how successful employer branding strategy is. (Boella and Goss-Turner, 2013, 267)

In the Section 2.2.2 different metrics to measure employer branding state are demonstrated. Also at this point, it is necessary to mention that the Figure 1 was applied on the case company in the Chapter 5, Section 5.9.

2.2.2 Employer branding metrics

As it was mentioned in Section 2.1.1, the organization, which invest in employer branding, is able to overcome fluctuation, improve employee retention and constantly keep their pool of talents full (Boella & Goss-Turner, 2013, 267; Figurska & Matuska, 2013, 37-38). However, considering employer branding activities, another important task for employers is to evaluate, how much money a company saved based on its employer branding strategies. (Figurska & Matuska, 2013, 44)

The following are the most famous metrics to measure employer branding at a company: retention rate, turnover rate, employee engagement, employee satisfaction, working relationships and environment, quality of hire, cost per hire, number of applicants etc. The choice of an exact metric will depend on the type of business. Also employer branding metrics will be determined by financial resources, availability of analysis and reporting data. The metrics are also needed to be aligned with business objectives and its functions. (Figurska & Matuska, 2013, 44-45)

At this point it is necessary to mention that in order to answer the fourth research question "What is the current state of internal employer branding at a case company?" the metrics such as employee retention, employee satisfaction and employee engagement were used in this thesis. The metrics such as cost per hire and quality of hire demand more time to collect and analyze data (Smykal 2015, [referred to 02.04.2016]). That is why these metrics are not going to be used in this research due to time limitation of the thesis. The results of measurement of employee retention, engagement, satisfaction and working relationships in the case company CupoUnion are demonstrated in the Chapter 5, Sections 5.2, 5.3, 5.4 and 5.5. Due to the fact, that those metrics are going to be

applied on the case company CupoUnion Ltd. in the practical part, it is necessary to shortly describe each of them. The following subsections are aiming at describing those terms.

Employee retention

According to Samuel & Chipunza, retention of skilled employees is an important task for an employer, especially, if there is high fluctuation rate of employees in a company. Indeed, retention of highly qualified talents has become a challenge for many employers, because this category of professionals can be easily attracted by more than one company simultaneously (2009, 410-415).

Referring to Cook, in order to measure the retention rate in an organization, it is necessary to know how many employees have started to work in the beginning of measured period and also how many employees stayed in the company by the end of this period. Normally the temporary personnel also must be excluded from the general amount of stayers and leavers. The employee retention can be measured with the following equation (Cook [referred to 08.06.2016]):

$$\frac{\text{Number of stayers at the end of period}}{\text{Number of employees at the beginning of period}} * 100\% = \text{Retention rate}\%$$

Equation 1. Calculation of retention rate. (Cook 2008, [referred to 08.06.2016]).

Employee engagement and satisfaction

Employee engagement can be described by how positively employees think and feel about the organization. Employee engagement means the committed employees, who believe in what their company stands for, its values and goals. Engaged employees are those, who are prepared to perform their maximum and deliver the highest result to the organization. Moreover, engaged employees are willing to invest their own effort to the company`s success, they feel inspired and motivated at their work and they care about the future of the company. (Cook, 2008, 3).

Referring to Heathfield, employee satisfaction is a term, which defines employee`s happiness. Heathfield argues, that employee satisfaction is a key factor in employee

motivation and employee goal achievement. Employee satisfaction can be supported by the following points (2016, [referred to 15.05.2016]):

- Treatment of employees with respect
- Regular employee recognition
- Empowering employees
- Offering benefits and compensation to employees
- Offering company events and leisure time activities etc.

Talking about the role of good working relationships in a company, Figurska & Matuska claim, that positive working environment, good working relationships and transparent communication between all the employee levels define successful employer branding as well (2013, 39-45). In order to define the level of employee engagement, employee satisfaction and working relationships in the company, an employer can use different methods to converse with employees such as employee engagement and satisfaction surveys, internal research etc. (Mosley, 2009, 8).

2.3 Employer branding in startups

Referring to Keller a brand strategy could be developed not only for large companies but also for small businesses (1998). Both SMEs and large firms can build employer branding, the strategies of building an employer brand will differ though. In fact, the way how startups can build their employer branding has a unique context due to several causes (Rode & Vallaster, 2005, 121-135). The section 2.3.2 is aiming to identify the reasons why employer branding for startups might differ from employer branding in big enterprises. However, first of all, it is necessary to give a clear definition of a startup. Section 2.3.1 aims at discovering the different stages of startup development. It is done in order to analyze the development phase of the case startup company in Chapter 5.

2.3.1 Definition of startups

It is hard to give a clear explanation to a startup company. In fact, there is no universal definition. (Smith, 1, 2012) Generally a startup company can be described as recently founded, fast growing business, where an entrepreneur moves from the idea stage to establishing. Startup can also have different sizes and forms. (Robehmed 2013, [referred to 06.06.2016])

The Figure 2 enables to understand the startup journey and identify key phases of startup development. Based on this Figure, it was identified in Chapter 5 at which startup stage the case company CupoUnion is currently locating. It is important to know in order to apply the most fitting employer branding strategies to the case startup afterwards.



Figure 2. Startup development phases. (N. Sirotina 08.06.2016, own study based on Ramirez, 2016).

According to Figure 2, there are six stages of startup development: Ideation, Concepting, Commitment, Validation, Scalling and Establishing. The following points are giving a short explanation to each period in order to analyze to which stage of development the case startup company relates (Ramirez 2016, 7 [referred to 08.06.2016]):

- Ideation stage. Normally at this first stage an entrepreneur has an initial business idea on how and why his business will create value. Normally the structure of the team is vague in this period, there could be only one person in charge of all operations;
- Concepting stage. In this period mission and visions of a company as well as key strategies and milestones for at least next three years are already defined. At this point the team is supposed to be more structured and can be extended for additional roles;
- Commitment stage. At this stage there is normally committed and balanced co-founding team with shared goals and values. As a rule, a company has already an initial product/service or it is able to develop the product or service independently from external resources;
- Validation stage. In this period of development, a startup enables to demonstrate the growth and/or revenue. Additionally, at this point a company can start to attract new investments for equity, revenue share etc.;
- Scaling stage. At this moment a firm can and wants to grow fast. It is concentrating on a big or fast growing target market. In this period a startup may already attract a considerable funding or would be able to manage it, if wanted.

At this point a company has significant improvements in terms of hiring and quality of implementing internal processes;

- Establishing stage. Being in this period means for a startup, that it achieved considerable growth which is expected to be continued. Moreover, at this stage a company is able to attract easily funding and people resources. As a rule, a startup continues to grow, but often tries to keep the “startup” culture. (Ramirez, 2016, 7 [referred to 08.06.2016])

These theoretical findings helped to discover the developing phase of the case startup company CupoUnion in Section 5.1.2.

2.3.2 Challenges of building an employer branding in a startup

Startups meet competitive disadvantages compared to established companies due to the fact, that startups work under higher levels of risks and uncertainties as well as low public awareness. In such circumstances, one of the biggest obstacles for startups is attracting and retaining talented employees. (Moser, Tumasjan & Welp, 2015, 4)

Three main challenges, which startups normally face, can be identified. First of all, as a rule, startup companies which just have started to operate, have no established reputation among customers and on the job market yet (Bresciani & Eppler, 2010, 356). Secondly, many internal structures are still to be built and developed in startup companies (Rode & Vallaster, 2005, 121-135). Those cause a challenge for entrepreneurs to focus particularly on employer branding. Thirdly, startup companies normally have limited resources concerning capital, timing and know-how technologies. As a rule, entrepreneurs tend to focus more on financial and production issues of their business rather than on employer branding, since a good employer branding strategy is not required to run business. (Boyle, 2003, 79-93; Wong and Merrilees, 2005, 155-162)

Bresciani and Eppler claim, that it is essentially important for entrepreneurs to invest in employer branding from the beginning (Bresciani & Eppler, 2010, 356). Moreover, employer branding must be considered by employers preciously as an investment rather than just a cost. According to Boella and Goss-Turner there are no reasons to ignore employer branding and it has a place to be within startup companies as well. (Boella & Goss-Turner, 2013, 270)

2.3.3 Building an employer branding in a startup

Today it seems trendy to work in a startup company. Still a vast number of professionals want to work in established companies with good reputations. This is basically not because established companies are greater places to work, it is because a startup employer branding is underdeveloped and consequently does not look attractive. (Freeman & Engel, 2007, 94-100)

On the one hand startup companies in most of the cases are not able to offer to employees attractive pay packages, well developed compensation system and benefit programs in comparison to large organizations. Which is more as a rule startup's structure is very chaotic and disorganized. (Bresciani & Eppler, 2010, 356). That is why employees must work hard and sometimes longer hours (Haaf 2015, [referred to 06.04.2016]). On the other hand startups can offer a vast number of advantages as well, for instance, an environment of innovation, flexibility, personal growth, entrepreneurial opportunities, flat hierarchy, learning curve and career advancement (Curtin 2015, [referred to 06.04.2016]). Those attributes must be taken into consideration by employers when building EVP for an employer branding strategy.

Additionally startups should keep in mind the career goal of potential employees. It does not matter, whether an employer looks for recent graduates and young professionals or for mature specialists with solid working experience to join the company. In fact, an employer should focus on values and career objectives of this particular target group of employees (Wenngren 2015, [referred to 15.04.2016]). It can be emphasized that in order to attract potential talents, a company needs to build their employer branding strategy based on the values of the target group. Furthermore, startups should pay a considerable attention on employees happiness and their engagement to the company. As it was mentioned in the Section 2.1.1 it is important to focus not only on potential employees but also on existing ones.

It is needless to say, that nowadays internet plays an important role in shaping an image of any company. As a startup, employers should take into consideration the fact that reputation on global networks plays a crucial role in recruiting process. That is why a startup should take a deep look on which social media channels are used and how successful are the digital marketing campaigns on those channels. A good digital content on social media and web-sites is able to attract potential candidates. Last but not least

startups should not promise to their employees what they are not able to deliver in the nearest future. (Ramkrishnamurthy 2015, [referred to 30.03.2016])

Based on these above theoretical findings the Figure 3 was created. The Figure illustrates what startups should focus on when building an employer branding:

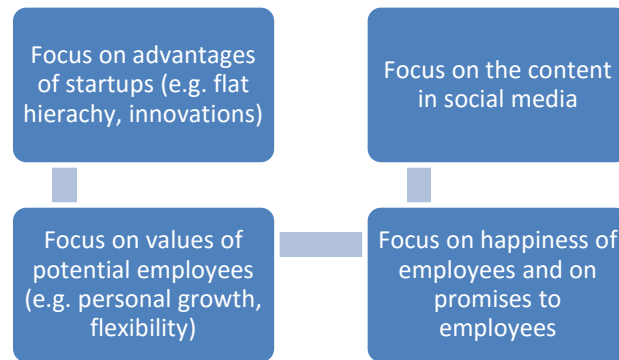


Figure 3. Fundamentals of building an employer branding in startups. (N. Sirotina 30.03.2016, own study based on Bresciani & Eppler, 2010; Wenngren, 2015).

Concluding the Section 2.3 it can be emphasized that employer brand building is equally important for startups as well as for established businesses. Furthermore, there is no need to make huge capital investments into it. First of all, entrepreneurs must focus on the important aspects (Figure 3) in order to build a successful employer branding in a startup. Still it can be said, that building of employer branding requires a lot of efforts and innovation. It can be underlined that based on these findings the second research question “Should startup companies invest in employer branding?” as well as the third research question “How startup companies can build their employer building?” were answered in Sections 2.2 and 2.3.

To sum up Chapter 2 it can be underlined, that the first and the second research questions were fully discovered. The definition and goals of employer branding were given. It was defined, that employer branding is a long-term strategy that a company can use to promote itself as the best employer. The main goal of employer branding is to attract and retain the right talents within the company. It was discovered how employer branding strategy can be built and measured. The Figure 1 presented a universal strategic approach of building employer branding which can be also applied on startups. In addition, key metrics of evaluating employer branding were presented, for instance, employee retention, engagement, satisfaction etc. Also it was shown, that it does make sense for startups to invest time and money in developing of employer brand. The third research question “How startup companies can build their employer building?” was

discovered in the Section 2.3.2. However, in the Chapter 5 more practical insights are given on how startups can build their employer branding based on the example of the case company CupoUnion Ltd.

3 CASE COMPANY

CupoUnion Ltd is an international startup with headquarter in Munich, Germany. The company is operating in couponing and e-commerce industry since 2012. In fact, the company presents an online saving platform which offers to customers discount coupons and voucher codes on a huge variety of categories such as clothes, electronics, books etc. (N. Sirotina, 10.04.2016, internal information). The case company is going to be analyzed more deeply in Chapter 5 (Sections 5.1.1 and 5.1.2), where the general analysis of the company are presented. For instance, it is illustrated, what are the main difficulties CupoUnion faces at the moment. Additionally, it is explained, why CupoUnion can be considered as a startup and to which “startup phase” it is currently relating. This analysis was done in order to understand better the company’s needs in terms of employer brand building. The next Chapter 4 explains how the research and the questionnaire itself were shaped and conducted.

4 RESEARCH METHODOLOGY

This chapter provides information on how the research was shaped and conducted. The thesis focuses on the employer branding in startups and the research focuses particularly on employer branding in the case startup company called CupoUnion Ltd. The questionnaire called “Pulse Check Survey” aims at measuring the current state of internal employer branding at CupoUnion in the Chapter 5 and answering the fourth research question “What is the current state of employer branding at case company?”. Based on the research findings, improvements and ideas were suggested to strengthen an employer branding at CupoUnion in the Section 5.8. As a result of this, the fifth research question “Which improvements can be implemented in order to strengthen employer branding at CupoUnion?” was answered.

4.1 Research method

The mixed research method was applied in this thesis because both quantitative and qualitative methods were used to collect the data. Qualitative research method includes different data collection strategies and techniques such as ethnography, observations, interviewing etc. When using qualitative research method, a researcher tries to explain different aspects of the problematic field based on own observations (Kuada, 2012, 93). It has been already mentioned, that the researcher of this thesis was working as an intern at CupoUnion and that is why she has had an ability to observe internal processes and collect useful data, which will help her to analyze some outcomes of the questionnaire. The information based on own observations of the researcher was used in the research analysis, Chapter 5. This data is referred to N. Sirotina and marked as an internal information or own observation.

Talking about the quantitative research method, it is necessary to give a short explanation of this term as well. Quantitative method allows to test hypotheses received from theory. Quantitative research method enabled to answer the fourth research question “What is the current state of employer branding at case company?”. According to Kuada the quantitative method provides with the results which are easy to collect, summarize and analyze. (Kuada, 2012, 104)

Online questionnaire called “Pulse Check Survey” was chosen as a technique of quantitative research method (Appendix 1). Before sending the questionnaire to the employees, the questions and the structure were approved by the HR manager at

CupoUnion. Generally there are two types of questions which can be used in a questionnaire: closed and open-ended questions. According to Kuada a closed question is supposed to be answered with one word or a short phrase. Those questions are easy and quick to answer. Open-ended questions are supposed to be answered in details. It means, that respondents can provide more insights (John Kuada, 2012, 108-109). The questionnaire (Appendix 1) consists from both closed and open-ended questions. Closed questions are used to obtain the information, for instance, how long the employees from different departments work at CupoUnion in order to analyze the general data. Open-ended questions are used to make the respondents to think about some specific situations in order to obtain the information, for example, what the existing employees value in the company.

This questionnaire itself aims to answer the following questions:

1. What is employee retention at CupoUnion?
2. Do the employees feel engaged with CupoUnion?
3. Are the employees satisfied with their job at CupoUnion?
4. What are the working relationships within teams/ between departments/ between departments and senior management?
5. What do employees value about working at CupoUnion and what they would like to change?

4.2 Target group

The target group consists of 135 employees, including full-time employees as well as interns based in headquarter in Munich. It is necessary to underline, that it was an intention and personal wish of HR manager of CupoUnion to include inters in the survey. The "Pulse Check Survey" was sent by HR manager through internal email to 135 employees within the office in Munich. In the email with a questionnaire, it was underlined, that the survey is totally anonymous. According to Wyse it is necessary to make employees sure, that the survey is anonymous in order to receive the most insight, because respondents feel more comfortable to answer the survey and do not worry about retaliation from their supervisors (2013, [referred to 27.04.2016]).

The time to respond on the survey was two weeks, which was also clearly pointed out in the email. A reminder was sent in one week, after the first email with the survey was distributed to the employees. Additionally, the time to answer the questions was not

limited, by this way respondents could take as much time as they wish to consider their answers. It took about 5-10 minutes for employees to answer all questions.

As a result there was a very high response rate, which was 129 employees out of 135. It is also considerably important to demonstrate the employees, that they have been heard (Kuada, 2012, 106-107). That is why when the time to answer the questionnaire run out, an email was sent to all the workers showing appreciation to everybody who took part in the survey. Additionally, the email message included an invitation to all employees to come to the presentation about gained knowledge through this survey on the common company meeting in the end of April 2016. This presentation illustrated, what is going to be improved and implemented at CupoUnion in the nearest future.

4.3 Validity

The sample of the research was 135 employees including full-time employees as well as interns who are currently working at CupoUnion in headquarter in Munich. In fact, 129 employees have responded, which means that the response rate was 95.5%.

As it was mentioned in the Section 4.1, that the questionnaire is aiming at measuring the state of employee retention, engagement, satisfaction and working relationships at CupoUnion. At this point it is necessary to notice, that employee retention results retrieved from the questionnaire cannot be considered as valid. Initially the online questionnaire was aiming at finding employee retention rate at CupoUnion. Finally, the data collected from the questionnaire was not enough to measure employee retention rate in the company. In order to measure employee retention at CupoUnion, the researcher of this thesis needed to extract interns' answers from the general amount of all responses. According to Cook (Section 2.2.2) the temporary personnel must be excluded from the general amount of employees in order to calculate employee retention rate (2008, [referred to 08.06.2016]). However, it was not possible, because CupoUnion did not want to include any questions in the questionnaire which could help to define, how many interns take part in the survey. It was done with the purpose, because the case company does not want to discriminate interns and distinguish them and full-time employees. In fact, by conducting this survey, CupoUnion would like to show to interns, that their opinion as much valuable for the organization as the opinion of full-time employees (N. Sirotina, 06.06.2016, internal information).

Additionally, the measurement of employee retention rate at CupoUnion was not possible in frames of this research, because the researcher needed additional reporting data from the company. Referring to Cook (Section 2.2.2), in order to measure the retention rate in the organization, for instance during the last year, the researcher must know, how many employees have started to work in the beginning of measured period and also how many employees stayed in the organization by the end of this period (2008, [referred to 08.06.2016]). It basically means, that the researcher must possess the information, how many employees were fired or have left the company during the last year. The case company could not provide the researcher with this information, that is why the result of employee retention cannot be valid.

5 RESEARCH ANALYSIS

This chapter presents the analysis based on the conducted survey called “Pulse Check” within the company (Appendix 1). Referring to Figurska & Matuska (Section 2.2.2), the following metrics, such as employee engagement and satisfaction, enable to measure the state of employer branding in a company (2013, 44-45). The questionnaire itself was created based on these metrics. Furthermore, Figurska & Matuska claim, that good working relationships and transparent communication between all the employee levels define successful employer branding (2013, 39-45). That is why a few questions were shaped to figure out, what are the working relationships between employees and managers and whether communication between the departments is transparent. The questions and statements in the questionnaire were visually divided into several parts such as general questions, employer engagement, employee satisfaction and working relationships statements. The Chapter 5 was also divided into the same sections to enable a reader easily following the research analysis.

According to Figure 1 “Strategic approach to employer branding” (Section 2.2.1) as the first step of building employer branding, an employer must figure out, what the employees think and value in the company, what they like or do not like about working in organization. Referring to Mosley an employer can find out it by conversing to its workers and using different methods such as internal employee surveys etc. (2009, 8). That is why there are also questions included in the questionnaire, which enable to identify, what employees’ value and what they like or do not like about CupoUnion (Appendix 1). Based on these findings the fourth research questions “What is the current state of internal employer branding in a case company?” was answered.

As a result of the survey, suggestions were given for further improvement of employer branding at CupoUnion. As a result of these findings the fifth research question “Which improvements can be implemented in order to strengthen employer brand in a case company?” was answered.

The Section 5.1 presents the analysis of the case company based on theory from Chapter 2. Further sections discuss the research findings retrieved from the online questionnaire and also apply the theory from Chapter 2 on practice.

5.1 Analysis of the case startup company

The following two subsections analyze the case startup company based on theory from section 2.2 and subsection 2.3.1. Those subsections are aiming at discovering the challenges, which CupoUnion currently faces as well as explaining, why CupoUnion can be defined as a startup company. Both subsections help to understand the needs of the case company in terms of employer brand building. Additionally, both subsections aim to create a better overview of CupoUnion.

5.1.1 Challenges

It was mentioned in the Chapter 2, Section 2.2 that every company must answer certain questions before starting to build an employer branding strategy. These questions must be answered in order to reveal the weak sides of the organization and to understand, what it is necessary to concentrate on, when building employer branding. Those questions were presented in the Table 1 (Boella and Goss-Turner, 2013, 267). This Section is aiming at answering those questions in accordance with the company's current situation. At this point it worth mentioning, that all information which is presented in this section is based on the personal observations of the researcher and also internal information of the company, which was collected by the researcher while working there as an intern.

The first question in the Table 1 is "What are the main difficulties does a company have at the moment?". In fact, CupoUnion has difficulties to attract new talents and keep the pool of candidates constantly full. This is due to different reasons. There is a "Country Team" department which consists of little teams, for example Nordic teams (Finland, Sweden, Norway, Denmark), DACH team (German speaking countries or Germany, Austria, Switzerland), team Russia, team France etc. It has been always a challenge to attract new talents especially for Nordic teams. The main requirement is that members in those teams must be native speakers. It means that CupoUnion needs to recruit residents from those countries. This makes the recruitment process very demanding. Referring to The Economist the reasons for that are quite obvious: level of life and salaries in Nordic countries are higher than in Germany (The Economist 2013, [referred to 29.03.2016]) as well as moving from a Nordic country to Germany is often a barrier for candidates. Also it is quite challenging to find the applicants for DACH team. On the one hand, it seems, it should be easy to find candidates who already live in the same country. On the other hand, it is still extremely difficult. This is, probably, due to the fact,

that CupoUnion has no established reputation yet and is really unknown even in Germany. That makes it difficult to attract new professionals. (N. Sirotina, 23.03.2016, own observation)

The second question “What is the target group of the company?”. In fact, the average age of current employees at the company is 27 years old. That is why the target audience of CupoUnion is definitely young professionals and also recent graduates (N. Sirotina, 23.03.2016, own observation). An answer to the question “How a company can appeal its target group” is presented in the Section 5.6 based on the research.

The fourth question “How does the recruiting process look like in a company?” Generally, the main challenges of recruiting process were already discussed when answering the first question.

Finally “What is the reputation about a company internally and externally?”. Due to the fact that CupoUnion is still a young company it has no established reputation yet. That is why it is hard to evaluate the external perception of the company. Nevertheless, in order to find out, what is the reputation of the company among current employees, the questions regarding internal perception of a company were included in the survey (Appendix 1) and are illustrated further in the Chapter 5.

Concluding this subsection, main challenges which CupoUnion is currently facing were defined. Those are attracting new talents and retaining existing employees. Based on the results retrieved from the “Pulse Check Survey”, it was possible to answer the questions such as “How to appeal the target employees?” and “What is the reputation of CupoUnion internally?”. These findings are presented in the further sections.

5.1.2 Startup development phase

As it was stated in the Section 2.3.1 it is necessary to identify to which startup period CupoUnion is relating at this moment. It is important to identify in order to apply the most fitting employer branding strategies to the case company afterwards.

According to Figure 2 (Section 2.3.1), it can be assumed, that CupoUnion locates between the last two development stages of Scaling and Establishing. The following facts stand for this assumption:

CupoUnion has already clearly formulated missions, goals and values as well as balanced and committed team consisted of 135 employees. Based on the financial plan

of the company, CupoUnion is also able to attract additional investments for equity and future revenue (N. Sirotina, 07.06.2016, internal information). According to Ramirez (Section 2.3.1), it can be assumed, that the case startup has already passed the developing phases such as Ideation, Concepting, Commitment and Validation. (2016, [referred to 08.06.2016])

CupoUnion is growing very fast. It is operating on the couponing market four years and already has a presence in 17 countries worldwide. During the last year 2015 there were opened four local offices in Russia, Italy, France and Australia (N. Sirotina, 07.06.2016, internal information). Referring to Ramirez (Figure 2), a company which can and wants to grow fast, relates to the Scaling developing period of startups (2016, [referred to 08.06.2016]). Additionally, it was defined in the previous subsection, that CupoUnion faces challenges in the hiring process. It can be also underlined, that many other internal processes at CupoUnion are still on the developing stage (N. Sirotina, 07.06.2016, internal information). Some of the internal processes which are needed to be improved, are illustrated in further research analysis. According to Ramirez, a startup which is still optimizing its hiring and other internal processes cannot move completely to the Establishing phase yet (2016, [referred to 08.06.2016]).

CupoUnion plans to expand around the globe even more next few years. Moreover, CupoUnion is still aiming at promoting the “startup” culture to their existing and potential employees as well as customers (N. Sirotina, 07.06.2016, internal information). Based on Figure 2, those are typical characteristics for the startup which is locating on the Establishing phase of development.

To sum up, it can be emphasized, that CupoUnion can be considered as a startup which is locating on the Scaling phase of development and gradually moving towards the next Establishing phase.

The next sections are aiming at discussing the research findings based on the online questionnaire “Pulse Check” (Appendix 1) and apply the theory from Chapter 2 on practice.

5.2 General analysis

As it was explained in the Section 4.3 (Validity) employee retention rate at CupoUnion could not be measured in frames of this research. Still the first two questions in the questionnaire were able to reveal general information such as how long the current

employees are working at CupoUnion and in which department they are employed. This collected data is not enough to define the retention rate at CupoUnion. However, it enables to create a better overview of the organization and helps a reader to understand the structure of the departments at CupoUnion. The pie chart (Figure 4) demonstrates the result on the first question in the survey.

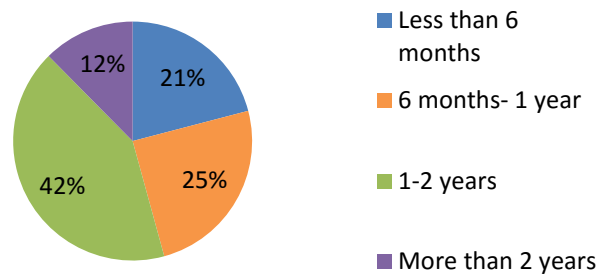


Figure 4. Pulse Check Survey: "How long do you work at CupoUnion?"

CupoUnion is operating on the market since 2012 and consequently hiring employees during the last four years (N. Sirotina, 10.04.2016, internal information). The survey has revealed, that the percentage of respondents, who work at CupoUnion for more than 2 to 4 years is the lowest in this rating and makes 12%. It means that it is only 16 people out of 129 employees worked more than two years at CupoUnion.

The questionnaire has shown that the majority of respondents (42%) have been working in the company for one to two years. The chart demonstrates, that the proportion of employees, who work at CupoUnion less than 6 months is also relatively high and makes 21%. In fact, the high percentage of employees, who are employed in the company less than 6 months, can be explained by the number of interns working at CupoUnion. The proportion of interns in the company is 19%. It is to remind, that interns were intentionally invited to participate in the survey in order to show them, that they are valuable for the company (N. Sirotina, 19.04.2016, internal information).

The Figure 5 shows the results on the second question of the "Pulse Check Survey". The Figure illustrates the difference between the number of employees, who work at CupoUnion more than 2 years and employees, who work less than 6 months in each department. Based on the Figure 5 it can be clearly seen, how many departments are at CupoUnion. It worth mentioning, that CupoUnion has started to structure its departments since 2012. However, the researcher does not possess the information, when exactly each department was created.

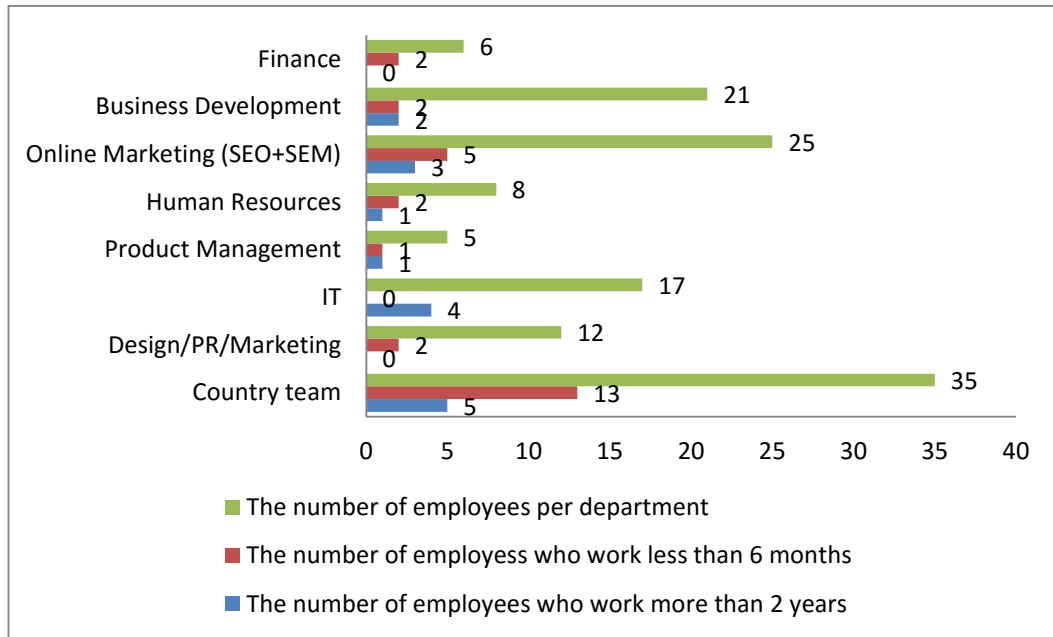


Figure 5. Pulse Check Survey: “For which department do you work?”

To sum up this section it can be noticed, that the first question “What is employee retention at CupoUnion?”, which “Pulse Check Survey” was aiming to define, was not answered due to lack of valid data (See Section 4.3). However, it was presented general information about how many employees and from which departments took part in this research. This data might be used in the following sections in order to analyze further finding of this questionnaire.

5.3 Employee engagement

The questionnaire has revealed that 74% of respondents are motivated to come to work, while 20% responded “most of the time” and 6% “Sometimes” respectively. It worth mentioning, that there were zero “Never” responses on this statement. It is definitely a positive result for CupoUnion. It means, that the majority of employees are satisfied and motivated to work at CupoUnion. Referring to Heathfield (Section 2.2.2), employee satisfaction is a key factor in employee motivation. Additionally, 73% and 18% of respondents answered “Agree” and “Strongly Agree” to the statement “I am in line with CupoUnion goals and visions”, while “Disagree” and “Strongly Disagree” responses were zero for both statements. At this point it worth noticing, that it is a good sign for CupoUnion. According to Cook, if the employees believe in what their company stands for, its visions and goals, then these employees feel engaged and committed to the company (2008, 3).

The next statement in the questionnaire was “I find the company’s events interesting and useful”. It is significantly important to notice that 82% of employees strongly agree with this statement. There were also 16% and 2% of employees who responded to this statement “Agree” and “Neither agree or disagree” respectively, while options “Disagree” and “Strongly disagree” received zero responses. It can be assumed, that CupoUnion is doing already a good job in terms of arranging corporative events. As it was emphasized in the Section 2.2.2, offering corporative events and activities to the employees is one of the key factors to support the high level of employee engagement and satisfaction (Heathfield (2016, [referred to 15.05.2016])).

The results of the next statement “I would recommend a friend to apply for a job at CupoUnion” is shown on the Figure 6. The results of this statement are consistent with the outcomes of the above presented statements.

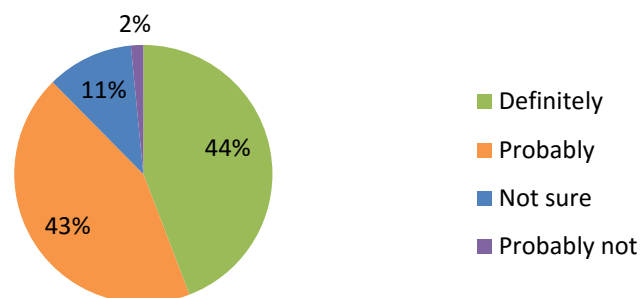


Figure 6. Pulse Check Survey: “I would recommend a friend to apply for a job at CupoUnion”.

The diagram illustrates, that the majority of current employees (87%) with the answer “Definitely” and “Probably” would recommend the company to their friends. Looking at the results of above illustrated statements, it is clear, that if the employees are motivated to work (74%), are in line with company’s goals and visions (91%) and find the company’s events useful (98%), it is expected that these employees will be willing to recommend the company to their friends (87%).

However, there were also responses “Not sure” (11%) and “Probably not” (2%) on the statement (Figure 6). Those respondents explained it as:

- I would only recommend a friend to apply for some internship for limited time, not full-time position;

- I wouldn't recommend it because the salary is low, few benefits, no health care etc.

The second point, which does not make employees recommend a friend to apply for a job at CupoUnion, is quite a common issues for startups in general. According to Bresciani & Eppler (Section 2.3.2), startup companies in most of the cases are not able to offer to employees attractive salary, well developed compensation system and benefit programs in comparison to large organization (2010, 356).

A significant amount of employees (45%) responded "Neither agree" nor "Disagree" to the statement "I am proud to work for CupoUnion". Also many employees (19%) expressed disagreement or very strong disagreement with this statement. Those respondents who disagreed with this statement explained it as:

- I do not feel proud, because CupoUnion is not a known brand;
- Nobody really knows CupoUnion externally;
- Couponing industry is not very attractive in general.

It can be assumed, that it is a good sign for CupoUnion, if those three points are only the problems, why employees do not feel proud to work for CupoUnion. Referring to Bresciani and Eppler (Section 2.3.1) those obstacles are typical for startups. Startup companies, which have just started to operate, have no established reputation among customers and no public recognition yet. At such case CupoUnion should rather focus on developing of external image of the company. (Bresciani & Eppler, 2010, 356)

Looking at the Figures above, it can be underlined that the level of employee engagement at CupoUnion is high. The last statement in this Section "Overall I feel engaged with the company" just proves it again. The result of it is presented on the Figure 7.

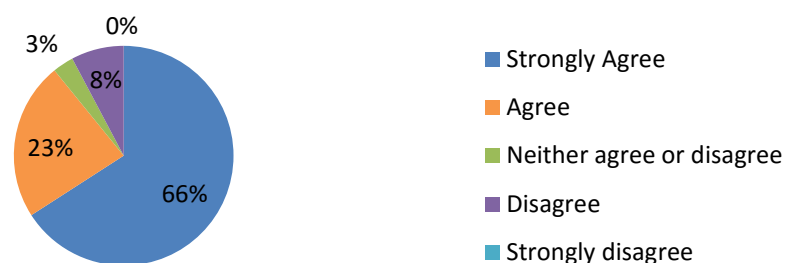


Figure 7. Pulse Check Survey: "Overall, I feel engaged in the company".

The majority of respondents (66%) said they strongly agree with the statement. In addition, 23 % of respondents also agree with the statement, which in total makes 89% of employees in a company feel more or less engaged. There were also respondents who disagreed with this statement (8%). They explain it as:

- As an intern you do not feel fully engaged;
- Interns and full-time employees as well as different departments need more interaction.

Looking at the above mentioned argues of respondents, it can be emphasized from the researcher point of view, that it is a true situation in terms of lack of communication between full-time employees and interns (N. Sirotina, 26.04.2016, own observation). It can be also assumed, that those arguments were given by interns. This is beneficial information for the company, because it was an intention of HR manager to include interns in this survey and see their opinion. It means that actions are needed in order to resolve this issue. The action plan is presented in the Section 5.8.

To sum up this Section, it can be underlined, that the level of employee engagement at CupoUnion is pretty high, however the section also reveals a few problems such as lack of communication between interns and full-time employees etc. The Table 2 below shows the positive outcome of the survey in terms of employee engagement. In the right column there is a sum of positive responses on each statement. The arithmetic average percentage on the bottom of the table shows the state of employee engagement at CupoUnion.

Table 2. Outcome of the survey "Employee engagement" at CupoUnion. (N. Sirotina, 15.05.2016, own study based on the "Pulse Check Survey").

| Statements (Appendix 1): | Sum of positive responses: |
|--|----------------------------|
| I am motivated to come to work | 74% |
| I am proud to work for CupoUnion | 45% |
| I would recommend a friend to apply for a job at CupoUnion | 87% |
| I am in line with CupoUnion's goals and visions | 91% |

(continue)

Table 2 (continue)

| | |
|--|------------|
| I find the company events interesting and useful (E.g. Summer event, Christmas party etc.) | 98% |
| Overall, I feel engaged with the company | 89% |
| The arithmetic average % of employee engagement at CupoUnion: | 81% |

5.4 Employee satisfaction

The survey has shown, that 75% of respondents either agree or strongly agree, that they experience personal growth such as updating skills and learning different fields. According to Curtin (Section 2.3.2), normally startups can offer a vast number of advantages such as personal growth, entrepreneurial opportunities, learning curve and career advancement (Curtin 2015, [referred to 06.04.2016]).

Almost a half of respondents (47%) either agrees or strongly agrees with the statement “My opinion is taken into account for decisions that affect my work”. 26% of responses were “Neither agree nor disagree”, while up to 27% of employees said that they disagree with this statement. They explain it with the following argument:

- There is a gap in communication between employees and higher management

The findings of this statement are arguing with the theoretical findings in the Section 2.3.2 though. According to Curtin (Section 2.3.2), usually startups enable to offer to their employees autonomy, flexibility, flat hierarchy etc. (2015, [referred to 06.04.2016]). However, it does not look clear from the responses on this statement “My opinion is taken into account for decisions that affect my work”, that this is the case for CupoUnion. It can be assumed, that there is not that flat hierarchy and high autonomy at CupoUnion. Nevertheless, it can be found another explanation, why there were negative responses on this statement. Rode and Vallaster state (Section 2.3.1), that normally many internal structures and processes are still not developed in startup companies which can cause miscommunication between employees and higher management (2005, 121-135). It makes it clear, that communication processes must be optimized at CupoUnion, that is why suggestions for improvements are presented in the Section 5.8.

There were also two statements in this part of the survey “My supervisor values my job” and “My supervisor encourages me to give my best”. The results of responses on these two statements give almost a similar picture and are compared on the Figure 8.

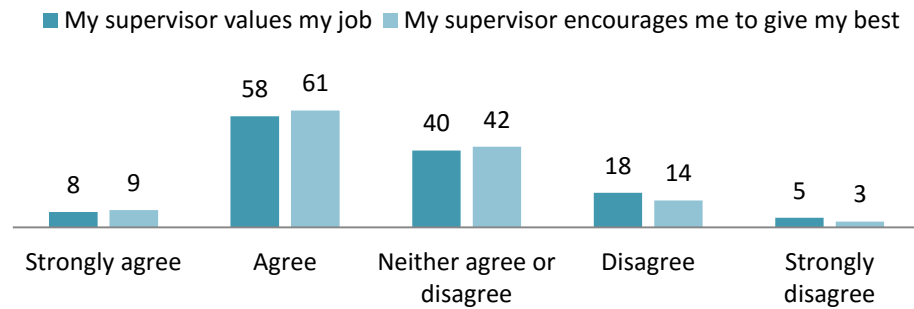


Figure 8. Pulse Check Survey: "My supervisor values my job" and "My supervisor encourages me to give my best".

The diagram demonstrates that up to 70 employees said that they either agree or strongly agree with these two statements. Around 40 employees struggled to give a direct response on these two statements, while in average 20 employees disagreed on both statements. Respondents with negative responses explained it by the following arguments:

- My supervisor does not share a lot information with me;
- I rare receive any feedback from my supervisor, so I do not know if he values my job or not;
- I have the feeling that my supervisor does not know, what I am really doing.

Looking at the outcomes of this two statements as well as on the other statements presented in this Section: "My opinion is taken into account for decisions that affect my work", it can be noticed, that all of them reveal a common problem, which is lack of communication between employees and supervisors as well as lack of feedback between them. According to Figurska & Matuska (Section 2.1), trustful working relationship between employees and their managers, constantly shared feedback as well as recognition of employees by their boss, are the key factors of successful employer branding (2013, 35-45). That is why in order to strengthen employer branding at CupoUnion there is a need to optimize communication processes within the company. An action plan to resolve this issue is presented in the Section 5.8.

Finally, the survey has revealed, that 88% of all respondents claimed, that they are either satisfied or very satisfied with their jobs (Figure 9).

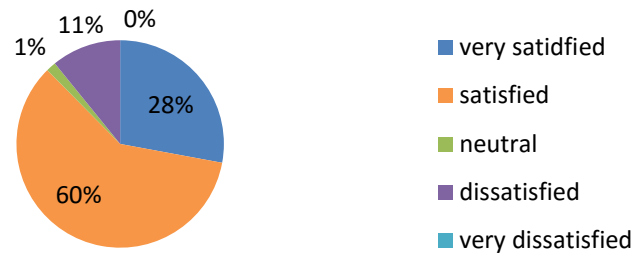


Figure 9. Pulse Check Survey: “Overall, I feel satisfied with my job”.

It worth mentioning, that there are zero of very dissatisfied responses. Respondents (11%), who were dissatisfied with their jobs, explained it with the following claims:

- Long working hours for low salary;
- Lack of performance measurement and talent rewarding;
- There is a ton of pressure to perform well and meet deadlines;
- Over time hours are not paid.

It is clear, that company which wants to build strong employer branding, must provide employees with competitive benefits and make them feel appropriately and fairly paid for the work they do (Figurska & Matuska, 2013, 35-45). However it is necessary to mention again, that all above mentioned claims are common for startups (Bresciani & Eppler, 2010, 356; Haaf 2015, [referred to 06.04.2016]).

Even though a general level of employee satisfaction is pretty high (88%), there is no reason to ignore the arised issues. Table 3 presents the outcomes of employee satisfaction level at CupoUnion. Based on the findings of this Section it was observed, that dissatisfaction among employees is mainly caused by miscommunication between employees and top management.

Table 3. Outcome of the survey "Employee satisfaction" at CupoUnion. (N. Sirotina, 15.05.2016, own study based on the "Pulse Check Survey").

| Statements (Appendix 1): | Sum of positive responses: |
|--|----------------------------|
| I experience personal growth such as updating skills and learning different fields | 75% |
| My supervisor values my job objectively | 51% |

(continue)

Table 3 (continue)

| | |
|--|------------|
| My supervisor encourages me to give my best | 54% |
| My opinion is taken into account for decisions that affect my work | 47% |
| Overall, I am satisfied with my job | 88% |
| The arithmetic average % of employee satisfaction at CupoUnion: | 63% |

5.5 Working relationships

The following statements in the questionnaire were shaped in order to figure out whether communication flow is transparent between employees, teams, department and the whole organization. However, the Section 5.4 has already revealed that there are issues in communication processes at CupoUnion, which leads to dissatisfaction among employees. It can be underlined, that the Section 5.5 fulfills the results of the Section 5.4.

The statement “My colleagues and I have a good working relationship” received 90% of positive responses. It is a good sign for CupoUnion. Referring to Figurska & Matuska (Section 2.1) good working relationships and transparent communication between all the employee levels define successful employer branding (2013, 39-45). There were also respondents (8%), who replied neither agree nor disagree. Moreover 2% of employees disagreed on this statement. They gave the following explanation:

- Lack of structure leads to the problems in communication
- Sometimes there is misunderstanding between different departments

Again these arguments reveal the same problems, which have been already mentioned and discovered in the Section 5.4.

Approximately 87% of respondents replied positively on the statement “My supervisor and I have a good working relationship”. This is a good outcome for CupoUnion. These findings might help to solve the issue which was revealed in the Section 5.4. In average 15% of employees claim (Section 5.4), that they are not sure, if their supervisors value their job or not. Knowing the fact, that there are good working relationships between managers and employees, will definitely help to solve this problem. That is why an action plan is presented in regards of this problematic field in the Section 5.8.

“Senior management and employees trust each other” received 65% positive responses either agree or strongly agree. Trustful working relationship between employees and management defines successful employer branding in a company (Figurska& Matuska, 2013, 39-45). It is definitely a good result for CupoUnion. However, a significant amount of employees (21%) disagreed on this statement. It was given the following arguments:

- There were a few employees, who were just suddenly fired during last half a year, how you can trust to the top management after all?;
- There is a huge gap of communication with management.

There is a clear correlation between the outcomes on this statement (21% of negative responses) and the statement “My opinion is taken into account for decisions that affect my work” (Section 5.4), which received 27% negative responses and was explained by lack of communication between employees and high management.

“I am satisfied with the information I receive from management on what is going on in the company” 52% and 8% of respondents disagreed or strongly disagreed on this statement, while 31% of respondents said “Neither agree nor disagree”. Negative responses were supported by the same arguments as above, which again underline the lack of communication between different hierarchy levels at CupoUnion.

Table 4 presents the results of the survey on working relationships at CupoUnion. Looking at the Table 4, it worth mentioning, that the most weak point in communication processes at CupoUnion is lack of information, which employees receive from the top management. There is definitely a need for improvements in this field, that is why an action plan is presented in the Section 5.8.

Table 4. Outcome of the survey “Working relationships” at CupoUnion. (N. Sirotina, 15.05.2016, own study based on the “Pulse Check Survey”).

| Statements (Appendix 1): | Sum of positive responses: |
|--|----------------------------|
| My colleagues and I have a good working relationship | 90% |
| My supervisor and I have a good relationship | 87% |
| Senior management and employees trust each other | 65% |

(continue)

Table 4 (continue)

| | |
|--|------------|
| I am satisfied with the information I receive from management on what is going on in the company | 9% |
| The arithmetic average % of working relationships at CupoUnion: | 63% |

5.6 Employees' values

To conclude the questionnaire, employees were asked to give an overview, what do they especially like and value about working at CupoUnion as well as what they do not like. Those questions were aiming to define what the current employees value about working at CupoUnion and what is important for them. Umarani claims (Section 2.2.1) that, finding the values of existing employees, will help to define EVP for potential employees (2013, 22). The result of the survey is shown on the Figure 10.

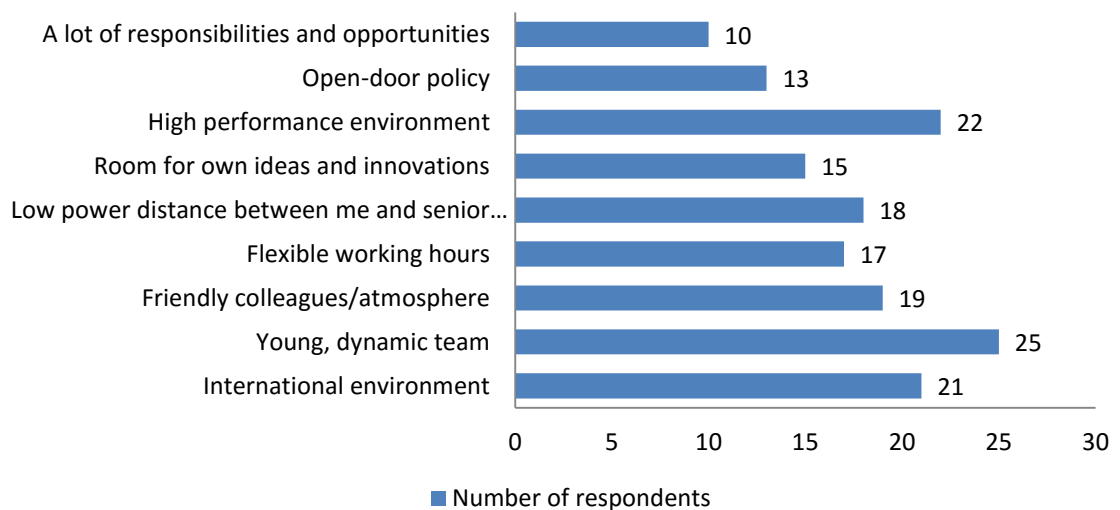


Figure 10. Pulse Check Survey: "I especially like/value about working at CupoUnion".

It can be underlined that employees value the following aspects in the company:

- International environment
- Room for bringing own ideas and innovations
- Open-door policy
- Flexible working hours
- Friendly/relaxed atmosphere, friendly colleagues
- Young, dynamic team

- Low power distance
- A lot of responsibilities and opportunities from the first day

It is an excellent result for CupoUnion, because many characteristics (values), which are listed by the employees in CupoUnion, are the key components of successful employer branding (Figurska and Matuska, 2013, 35-45) and CupoUnion already has those values according to the survey results (Figure 10). It is necessary to add, that the above mentioned values can be used in order to create EVP to appeal new, potential talents (See Figure 3: Fundamentals of building an employer branding in startups).

Additionally, the respondents were asked to give information, what they do not like or would like to change at CupoUnion. It worth noticing, that the result which is presented on the Figure 11 was combined out of last two questions of the survey: “What do not you like or what would you like to change at CupoUnion?” and “Do you have any other issues that are not considered in this survey?”

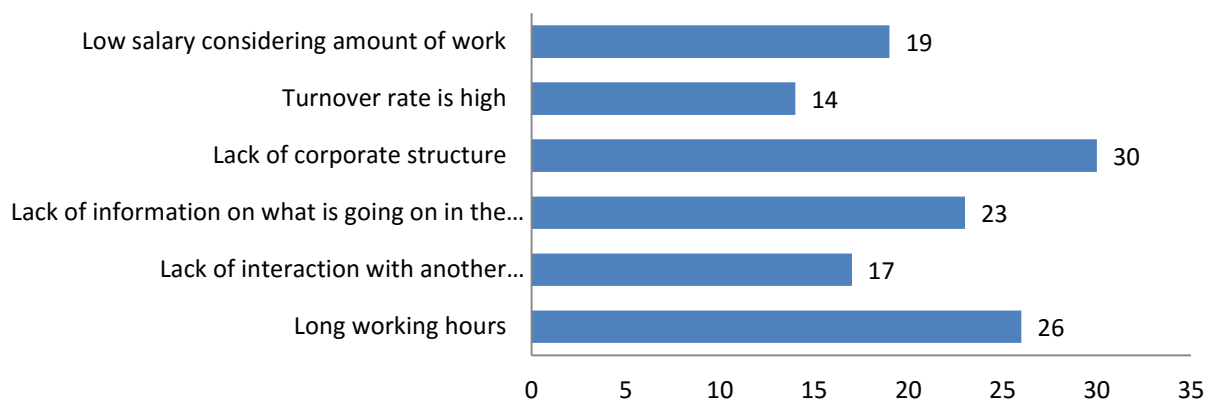


Figure 11. Pulse Check Survey: “What do not you like or what would you like to change at CupoUnion?” and “Do you have any other issues that are not considered in this survey?”

The biggest issues that received the most of responses are:

- Low salary considering amount of work
- Lack of corporate structure
- Turnover rate is high
- Lack of information on what is going on in the company
- Lack of communication with another teams/departments/ supervisors
- Long working hours

The Figure 11 reveals almost all the problems, which have been already arisen in the previous Sections and observes the typical issues, which are common for startups and organisations in general. Talking about the issue such as high employee turnover, according to studies of Samuel and Chipunza, nowadays retention of skilled employees has become a challenge for many organizations and not only for startups (2009, 410-415). It has been already mentioned several times, that in most of the cases startups are not able to offer to employees attractive pay packages, well developed compensation system and additional benefit in comparison to large organizations. Which is more startup's structure is very chaotic and not well organized (Bresciani & Eppler, 2010, 356). That is why employees must work hard and sometimes longer hours (Haaf 2015, [referred to 06.04.2016]). Nevertheless an action plan is going to be given (Section 5.8) to the all analyzed issues.

5.7 Sum up of the research analysis

The "Pulse Check Survey" was aiming to answer the following questions (Chapter 4):

1. What is employee retention at CupoUnion?
2. Do the employees feel engaged with CupoUnion?
3. Are the employees satisfied with their job at CupoUnion?
4. What are the working relationships within teams/ between departments/ between departments and senior management?
5. What do employees value about working at CupoUnion and what would they like to change?

The questions (2-5) were fully explored in the Sections 5.3, 5.4, 5.5 and 5.6. The first question "What is employee retention at CupoUnion?" was not answered in frames of this research due to lack of valid information (See Section 4.3 – Validity).

The Table 5 is shaped based on the Tables 2-4 and illustrates the arithmetic average percentage on each of the following metrics: employee engagement, employee satisfaction and working relationships at CupoUnion. Referring to the research analysis, the fourth research question "What is the current state of internal employer branding in a case company?" was answered (See Tables 2-4).

Table 5. Current state of internal Employer Branding at CupoUnion based on the key metrics. (N. Sirotina, 16.05.2016, own study based on “Pulse Check Survey”).

| | |
|-----------------------|---|
| Employee engagement | The arithmetic average percentage of employee engagement is 81% |
| Employee satisfaction | The arithmetic average percentage of employee satisfaction is 63% |
| Working relationships | The arithmetic average percentage of good working relationships is 63% |

Looking at the Table 5, it can be underlined, that employee engagement level at CupoUnion has the most positive result. Furthermore, it was analyzed in the Section 5.4, that employee satisfaction level at CupoUnion is directly linked to the working relationships in the company. In fact, dissatisfaction of employees at CupoUnion is mainly caused by lack of communication between employees and top management as well as lack of shared information within the company.

The Table 6 is shaped to combine strengths and weaknesses of employer branding at CupoUnion, which were revealed based on the online questionnaire (Appendix 1). Based on the responses the left column displays the strong sides of employer branding at CupoUnion. The right column shows the weak fields of employer branding at CupoUnion which are needed to be improved.

Table 6. Strengths and weaknesses of employer branding at CupoUnion. (N. Sirotina, 26.04.2016, own study based on the “Check pulse Survey”).

| Strengths | Weaknesses |
|---|--|
| <ul style="list-style-type: none"> • Employees are willing to recommend CupoUnion to their friends (87%) • Employee motivation is high (74%) • Employees are satisfied with provided events (98%) • Employees support company's values and visions (91%) • Overall, employees feel satisfied with the job (88%) and engaged with the company (89%) | <ul style="list-style-type: none"> • Lack of communication/feedback between and within departments as well as between employees and top management • Lack of shared information from top management • Long working hours • Over time is not paid • Lack of talent rewarding |

Overall, it can be concluded, that CupoUnion`s employer branding is quite strong according to the level of employee engagement, employee motivation, overall satisfaction etc. Although CupoUnion never used any systematic approach to build employer branding within the company (N. Sirotina, 16.05.2016, internal information), the online survey has shown an overall positive results on the status of employer branding at CupoUnion. Figurska & Matuska claim, that all companies have an employer branding at some stage, whether they are aware of it or not. As a rule, it happens spontaneously as a result of using (or not using) any strategy in the company (Figurska & Matuska, 2013, 43). In this way the fourth research question “What is the current state of internal employer branding at CupoUnion?” was fully discovered.

5.8 Action Plan

This section is aiming to provide with suggestions on how the employer branding strategy can be improved at CupoUnion. In the following subsections the fifth research question “Which improvements can be implemented in order to strengthen employer branding in a case company?” was answered. Additionally, the actions for strengthening employer branding, which are proposed in these subsections, enable to fulfil the answer on the third research question “How startup companies can build their employer branding strategy?” by giving practical examples. The basis for suggested ideas in the following subsections is Table 6. This Table presents weak areas of internal employer branding at CupoUnion which are needed to be improved. Section 5.8 was divided into several subsections in order to make a reader easier to follow the findings.

5.8.1 Improvements of communication processes at CupoUnion

The following actions are suggested in order to improve communication between full-time employees and interns and make interns more engaged within the company as well as to improve communication between the departments. These actions in terms of intern engagement are needed, because CupoUnion wants to make interns feel a part of the company and not just like “functional” employees, who leave in a few months (N. Sirotina, 06.06.2016, internal information)

According to Heathfield (Section 2.2.2) implementing leisure time activities, offering company events and promoting regular employee recognition support a high level of employee engagement and satisfaction as well as good working relationships between all types of employees (2016, [referred to 15.05.2016]):

- Implementing leisure time activities in the office: there could be created recreation areas with tennis tables and couches. As a result of that, more communication between different departments will be encouraged;
- Establishing a monthly meeting in the main hall where news and updates regarding what is happening in the company will be presented. It will give a chance to employees to fill more engaged with company's activities and also to give more information on what is going on in the company;
- Establish a big company event every six months. The employees will have a chance to gather together, for example for such events as already existing event "Octoberfest". This event encourages not only better communication between employees but also helps the workers from other countries to fill more integrated with German culture.

Referring to Table 6 (Section 5.7) it was defined based on the research analysis, that one of the weaknesses of internal employer branding at CupoUnion is lack of shared information from top management to employees. Brooks claims, that due to variety of reasons top managers are often not able to share certain information with all the employees in the company (2014, [referred to 29.04.2016]). For instance, sometimes top managers at CupoUnion are not able to share some information with all the employees due to security reasons (N.Sirotina, 02.06.2016, internal information). Nevertheless top management is advised to share with employees the general picture of what is happening in the company during the common company events. It will help to increase trust between workers, managers and CEO. Additionally top managers must understand, that formal communication with employees is as much important as informal. Top managers are advised to ask employees casually, for example, how a project goes etc. It will help to decrease the gap in communication and show the employees, that they are valuable by their supervisors. (Brooks 2014, [referred to 29.04.2016])

Referring to Boella and Goss-Turner (Section 2.2.1) the company's intranet can be also used to spread useful information about coming events and general information on what is happening at the company (2013, 267). For example, HR team could take a responsibility to send regularly newsletters within the company informing employees about any important news and events occurring at CupoUnion.

5.8.2 Improvements of feedback process at CupoUnion

Based on the research analysis it was defined, that there is lack of sharing feedback between managers and workers. For instance, in average 15% of employees claim (Section 5.4), that they are not sure, if their supervisors value their job or not. After the researcher has presented these results to the senior management, it was identified, that, first of all, the leadership team (supervisors) will be encouraged by senior management and HR to have regular feedback with their teams. During the discussion of this idea, it was also decided, that HR department must take care of arranging the training sessions for the managers on how to give feedback properly.

Secondly, the researcher has suggested to implement a feedback day session for employees. According to Amara (Subsection 2.1.2) feedback session is one of the component of internal employer branding (2014 [referred to 26.03.2016]). The goal of the feedback day session is to provide existing employees with an opportunity to give feedback to their managers. This feedback day can be arranged for full-time employees as well as for interns. The employees will have a chance to discuss any work related issues with their supervisors. HR department is advised to be in charge of arranging feedback session at CupoUnion. According to Hathaway, constructive feedback sessions enable to improve communication between managers and their employees. Such feedback sessions promote trust between supervisors and their subordinates, improve working relationships, increase job performance as well as encourage personal and professional development of both parts. Constructive feedback between employer and employees also provides the culture of openness. It is important to notice, that openness is one of the key factors which leads to excellence in organization. (Hathaway, 1997, 43-44)

5.8.3 Improvements of rewarding system at CupoUnion

Considering additional benefits for employees, it was discussed with senior management, that at the moment CupoUnion is not able to implement a system for paying over-time hours, due to the lack of budget. However, it was suggested to offer to all employees the following benefit: every worker can take twice per month "Home Office", which means that an employee, if he or she wants to, can work at home. This new benefit was presented to the employees on the company meeting, which was hold in the end of April 2016. This benefit was invented as an alternative to implementing an over-time system (N. Sirotina, 16.05.2016, internal information).

5.8.4 Referring program at CupoUnion

In the subsection 5.1.1 it was defined that one of the challenges that CupoUnion is currently facing is attraction of new talents. Due to the fact that the research has revealed that a lot of employees (87%) are willing to recommend CupoUnion to their friends, it was decided to implement a system how new employees can be attracted to CupoUnion. After the researcher has discussed this result with HR manager of CupoUnion, it was decided to implement a referring program. This referring program will be developed for existing employees. It means that every current employee of the company can officially recommend a person, who he/she thinks would be fitting well to CupoUnion, for example a friend, a classmate etc. If a recommended person passes all the recruiting process and, as a result, will be hired, the employee who recommended this person will receive a one-time bonus to the salary. This bonus will be added to the salary once a recommended employee past the probation period at CupoUnion. A HR specialist will be responsible for reviewing the received CVs of recommended candidates in order to carry this program. It will be important to make this process clear as possible and always remind to the current employees that there is this opportunity. The goal of this program is to encourage current employees to help attracting new talents and additionally spreading good words about the company externally. It will be a significant help, especially, in terms of recruiting for Nordic teams. As it was mentioned in the subsection 5.1.1 Nordic teams are the most difficult to recruit. At this point it worth noting, that the referring program was also presented on the company meeting in April 2016, where the results of the survey were demonstrated. At the moment HR team takes a responsibility of organizing this program. This referring program is going to be launched in June 2016. (N. Sirotina, 23.05.2016, internal information)

5.9 Further suggestions for improvements

Looking at Figure 1 “Five steps of strategic approach to employer branding” (Section 2.2.1) and applying it on the case company, it can be underlined that the first step was successfully completed, which is a research of a current state of employer branding at CupoUnion. According to Mosley, an employer can use different methods such as employee engagement and job satisfaction surveys, external image research etc., in order to define the current status of employer branding in the company (2009, 8). Employee engagement and employee satisfaction as well as working relationships metrics were used in this research.

Umarani argues, that online survey and conversing with existing and potential employees can help to find out EVP for the company (2013, 22). Regarding the second step “Development of Employee Value Proposition” (Figure 1), it is necessary to point out that based on the result of research online survey (Figure 10) main values of current employees were identified such as: international environment, open-door policy, flexible working hours, friendly and motivating atmosphere, flat hierarchy, room for new ideas etc. According to Backhaus & Tikoo (Section 2.2.1) based on these findings, EVP can be shaped (2004, 502-503).

Talking about the third step “Shaping a message” (Figure 1) Chhabra & Sharma emphasize, that the brand message must be based on EVP (2014, 49-50). That is why once EVP is clearly formulated based on the employee values; a message can be created to attract potential talents. HR team is advised to take over and shape the brand message based on EVP.

Regarding the fourth step (Figure1) different channels could be defined to be used to communicate the information (the message) about CupoUnion internally and externally. Boella & Goss-Turner state, that an employer should consider different channels in order to communicate the message to the existing and potential employees (2013, 267). Social media channels are recommended to be used in order to spread the message internally and externally. Referring to Ramkrishnamurthy, startups should take into consideration the fact, that reputation on the social media plays a crucial role in recruiting process. He claims, that a good digital content on social media and web-sites is able to attract potential candidates (2015, [referred to 30.03.2016]). Communication on social media could be taken in charge by PR team. This is however one of the proposals of communicating the information about the company internally and externally. Another suggestion could be strengthening the cooperation with local universities. As it was mentioned in subsection 5.1.1 the target audience of CupoUnion is young professionals and also recent gradulators (N. Sirotina, 23.03.2016, own observation). That is why it could be beneficial for CupoUnion to cooperate with local universities, participate on their job fairs, spread CupoUnion’s job offers and become published in the local news. According to Boella and Goss-Turner (Section 2.2.1), these activities will help significantly to attract potential employees as well as increase external recognition of the company (2013, 267). HR team is recommended to take care of relationships with local universities.

Finally, the fifth step of the strategic approach is “Evaluation of success” (Figure 1). It is necessary to say, that due to time limitation of the thesis writing this step is not taken into observation in this research. According to Boella & Goss-Turner, it is challenging to measure the benefits of employer branding and it requires to define a measurement system (2013, 267) (See Section 2.2.2). Nevertheless, HR team is advised to accomplish this step “Evaluation of success”. HR team is advised to hold regularly a similar survey, for instance, once per six months in order to record the changes and improvements. It worth reminding, that CupoUnion can use additional metrics to evaluate its employer branding such as employee retention, employee turnover, cost per hire, number of applicants etc. (Figurska & Matuska, 2013, 44-45). Particularly HR team is encouraged to measure employee retention rate within the company, since this research was not able to cover this field fully. Finally, HR team is advised to hold an additional survey which will enable to discover the state of employer branding at CupoUnion externally.

6 CONCLUSION

The focus of the thesis was employer branding in startups. The main objectives of this research were to find out whether startup companies should invest money in employer branding and also to figure out, what is the current state of employer branding at the case company called CupoUnion Ltd.

The first and the second research questions "What does employer branding mean?" and "Should startup companies invest money in employer branding?" were fully discovered based on literature review in Chapter 2. Employer Branding can be defined as a long term strategy which a company uses to promote itself as the best employer. Generally speaking the main goal of employer branding is to attract and retain the right talents within the company. Furthermore, it was analyzed, that startups should invest time and money in developing employer branding. In fact, employer branding can be developed within small businesses. In other words, employer branding is equally important for startups as well as for established organizations.

The third research question "How startup companies can build their employer branding strategy?" was discovered in the Sections 2.2 and 2.3. A strategic approach to build employer branding was demonstrated in those Sections (See Figure 1). In fact, this approach, which consists of five steps, is universal and can be applied for startup companies as well. It is important to notice, that the strategic approach of building employer branding was applied on the case organization CupoUnion in Section 5.9. Additionally in those Sections (2.2, 2.3) different metrics were illustrated such as employee engagement, employee satisfaction, working relationships etc. Those metrics were applied on measuring employer branding at CupoUnion. Moreover, the Chapter 5 enabled to fulfill the answer on the third research question. The practical examples were presented in the Section 5.8 on how startups can strengthen their employer branding.

Talking about the practical part the fourth research question "What is the current state of internal employer branding at CupoUnion?" was also fully explored in Chapter 5. The survey has examined, that the state of internal employer branding at CupoUnion is quite strong (See Tables 2-4), especially considering the fact, that employer brand has never been managed systematically in CupoUnion. For instance, it was defined, that employee motivation and employee engagement are high in the company. Based on the responses a few weak fields of employer branding at CupoUnion were revealed as well. For example, there were weak fields such as lack of benefits, lack of communication between

departments, between employees and top management, also lack of shared feedback and information within the company. Moreover based on the responses it was identified, that dissatisfaction among employees is mainly caused by lack of communication and shared information within the company. The revealed weak areas of employer branding at CupoUnion became a basis for answering the fifth research question.

The fifth research question "Which improvements can be implemented in order to strengthen employer branding at CupoUnion?" was explored in the Sections 5.8 and 5.9. The actions were proposed to strengthen employer branding at CupoUnion such as implementing a referring program, implementing "Home office" benefit for employees, arranging a monthly meeting etc. It worth repeating, that the results of this survey have been already presented to all employees in headquarter in Munich on the common company event in the end of April 2016. It was done in order to show to the employees, that they have been heard. The presentation of the survey's outcomes was led by HR manager of the company. Some of the suggested improvements, which the researcher has proposed in this thesis, have been already approved by senior manager of the company. For instance, the referring program as well as "Home office" benefit are already valid at CupoUnion. Some other recommendations, which the researcher has suggested, for example, implementing leisure time activities in the office etc. are taken into consideration by the company. According to HR Manager of CupoUnion those activities are going to be launched in the nearest future. It is also necessary to add, that the presentation of the survey's results had a success on the common company meeting. Overall, there was a very positive reaction of employees on the survey's outcomes. Many employees came to the HR department afterwards and thanked HR team for sharing this information. At this point it worth noticing, that it was the first time when such a survey was hold and the results were presented for the whole company.

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Pulse Check Survey!



We want to make CupoUnion the most rewarding and enjoyable place to work. Please take a few minutes to answer this survey, so we know where to focus our efforts in the future. Please notice that the survey is totally anonymous.

How long have you worked at CupoUnion?

- Less than 6 months
- 6 months – 1 year
- 1-2 years
- More than 2 years

For which department are you working?

- Finance
- Business Development
- Online Marketing
- Product Management
- Global Savings
- HR
- IT
- Design/PR/Marketing
- Country Team

We would like to know how engaged do you feel with CupoUnion. Please indicate your level of agreement with each of the following statements:

I am motivated to come to work

Never

Sometimes

Most of the time

Always

I am proud to work for CupoUnion

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

I would recommend a friend to apply for a job at CupoUnion

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

I am in line with CupoUnion's goals and visions

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

I find the company events interesting and useful (E.g. Summer event, Christmas party etc.)

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Overall, I feel engaged with the company

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

If you have answered "Disagree" or "Strongly disagree" on at least one of the questions, please explain below why:

| |
|--|
| |
|--|

Additionally, we would like to see how satisfied you are with you job. Please indicate your level of agreement with each of the following statements:

I experience personal growth such as updating skills and learning different fields

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

My supervisor values my job objectively

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

My supervisor encourages me to give my best

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

My opinion is taken into account for decisions that affect my work

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Overall, I am satisfied with my job

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

If you have answered “Disagree” or “Strongly disagree” on at least one of the questions please explain below:

Finally, we would like to hear what your working relationships with colleagues and supervisor are. Please indicate your level of agreement with each of the following statements:

My colleagues and I have a good working relationship

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

My supervisor and I have a good relationship

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Senior management and employees trust each other

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

I am satisfied with the information I receive from management on what is going on in the company

| | | | | |
|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|
| Strongly disagree | Disagree | Neither agree or disagree | Agree | Strongly agree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

If you have answered “Disagree” or “Strongly disagree” on at least one of the questions, please explain below why:

Great! You are almost done! To sum up please tell us what you like about working at CupoUnion and what you would like to change:

I especially like/value about working at CupoUnion:

I do not like or would like to change at CupoUnion:

Do you have any other issues that are not considered in this survey?

Thanks a lot for your contribution to CupoUnion! We appreciate it a lot!

The results of the survey will be announced on the common company meeting by the end of April 2016. Stay tuned!

Sincerely,

Your HR Team

Appendix 2

Table 2. Outcome of the survey "Employee engagement" at CupoUnion. (N. Sirotina, 15.05.2016, own study based on the "Pulse Check Survey").

| Statements (Appendix 1): | Sum of positive responses: |
|--|----------------------------|
| I am motivated to come to work | 74% |
| I am proud to work for CupoUnion | 45% |
| I would recommend a friend to apply for a job at CupoUnion | 87% |
| I am in line with CupoUnion's goals and visions | 91% |
| I find the company events interesting and useful (E.g. Summer event, Christmas party etc.) | 98% |
| Overall, I feel engaged with the company | 89% |
| The arithmetic average % of employee engagement at CupoUnion: | 81% |

Table 3. Outcome of the survey "Employee satisfaction" at CupoUnion. (N. Sirotina, 15.05.2016, own study based on the "Pulse Check Survey").

| Statements (Appendix 1): | Sum of positive responses: |
|--|----------------------------|
| I experience personal growth such as updating skills and learning different fields | 75% |
| My supervisor values my job objectively | 51% |
| My supervisor encourages me to give my best | 54% |
| My opinion is taken into account for decisions that affect my work | 47% |
| Overall, I am satisfied with my job | 88% |
| The arithmetic average % of employee satisfaction at CupoUnion: | 63% |

Table 4. Outcome of the survey "Working relationships" at CupoUnion. (N. Sirotina, 15.05.2016, own study based on the "Pulse Check Survey").

| Statements (Appendix 1): | Sum of positive responses: |
|--|----------------------------|
| My colleagues and I have a good working relationship | 90% |
| My supervisor and I have a good relationship | 87% |
| Senior management and employees trust each other | 65% |
| I am satisfied with the information I receive from management on what is going on in the company | 9% |
| The arithmetic average % of working relationships at CupoUnion: | 63% |