

## Using CSR to Create the Employer Identity: Case Study of Romanian Companies

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### Abstract

In the current economic and social landscape, businesses are becoming more and more competitive in terms of talents attraction and employer branding can be considered the source for creating attractiveness for companies. What most of the organizations do when it comes to shaping their employer image is integrating the concept of corporate social responsibility (CSR) in their strategy. The present paper's aim is to determine what are the approaches used by Romanian companies and how they integrate CSR. Also, we analyzed to what extent that information are available on the companies' web pages. To reach this goal, we started from analyzing 21 companies from Romanian market. These companies are the winners of Employer Branding Awards in 2022, one big event in the employer branding area. The manner in which they communicate about employer branding on their websites, career pages especially was studied to determine their commitment in one of the following categories: environment, community, diversity & inclusion and health. Thus, diversity and inclusion seems to be the area utilized by the most of the winner companies addressing their CSR strategies. Conversely, their involvement in the environmental protection and community is not so frequent mentioned in CSR communication.

**Keywords:** Corporate social responsibility, employer branding, sustainability, employer attractiveness.

**JEL classification:** M14, M31, M5.

### Introduction

The labor market has changed dramatically in the last years. A report from 2021 shown that almost 70% of employers have met challenges when it comes to attracting, recruiting and retaining top talents in companies and this leads to an intensification of competition for employees (Wtw, 2021). In this challenging context, organizations need to be competitive, building communication and strategies that help in creating a strong employer branding (Kargas & Tsoko, 2020). The employer branding concept (EB) was mentioned for the first time in 1996 when it has been defined as a functional, economic and psychological benefits package offered by a company (Monteiro et. Al., 2020) and the most important role should be to differentiate the company in the dynamic business environment (Vinayak, Khan and Jain, 2017).

Corporate social responsibility, as defined by European Commission in 2011, represents "the responsibility of enterprises for their impact on society" and it includes "social, environmental, ethical, human rights, and consumer concerns into their core operations and strategy, in close collaboration with stakeholders". Companies with a focus on CSR both inside and outside the organization are securing competitive advantages. CSR has the power to create a positive impact for the well-being of the existing employees and to influence the way in which the company is seen by external stakeholders (Lindholm, 2018).

### 1. Problem statement

Employer branding is a frequent used management strategy that aims to create and communicate a favorable employer brand, in order to attract qualified talents and retain remarkable employees (Auer, Edlinger and Molk, 2021). Previous research (Buchelt et al.,

2021) shed light on several benefits of a strong employer brand, including supporting employee engagement, attracting and retaining talented staff, and promoting higher levels of engagement.

Corporate social responsibility (CSR) has gained significance as a new way that can increase company value and ensures its sustainability (Hosseini et al., 2021). It is crucial to create a competitive advantage among competitors for organizations to maintain their position in the market and industry. The long-term success and prosperity of companies depends on their ability to attract and keep top talents (Kumar et al., 2021).

The integration of CSR into employer branding communication represents one of the strategies for attracting potential talents and this is not a new aspect. Even more than 20 years ago, more than 90% of MBA students from European and American Business Schools declared that they are more interested to work for an employer with a better reputation in CSR and ethics than only for financial benefits (Montgomery and Ramus, 2003).

## **2. Research Questions**

The present direct research was starting from the winner companies of one employer branding dedicated event in Romania – Employer Branding Awards Conference. This event identifies Romanian companies that are creative and engaged in human resources, human resource marketing and employer branding in Romania.

In 2022, 21 companies from various sections of the conference were awarded and every company's website was analyzed, where possible. The objective of the analyses was to determine the way in which companies communicate about environment, community, diversity & inclusion and health and to identify whether and how these winners integrate CSR principles in their strategic approaches.

## **3. Research Methods**

Firstly, we conducted a literature review to delineate the role that corporate social responsibility (CSR) has within employer branding strategy. In a later stage, it was carried out direct research on the winner companies' websites, focusing on Employer Branding, CSR, or career pages. This leads to a robust database which contains available information from these companies, related to employer branding and their commitment to the following categories: environmental context, community involvement, diversity and inclusion and health.

Therefore, based on this analysis and results, we determined whether CSR activities are taken into account by successful companies in Romania when it comes to employer image building.

## **4. Findings**

Career pages content analyses for the following winner companies for Employer. The 21 winners of the Employer Branding Conference were involved in a robust analysis of their career pages content related to Employer Brand. Through this analysis, a database that captured all relevant information on employee involvement in corporate social responsibility (CSR) activities in four key areas was compiled. The interest areas are: environment, community, diversity & inclusion, and health.

Out of a total of 21 organizations, only 14 of them provide sustainability-related information on their career webpages. The rest of 7 companies were excluded from the analysis either because they did not provide enough information for potential candidates to understand their social commitment, or because they do not have a dedicated career page anymore.

The webpage content analysis shed light on four interest areas for companies. At a glance, the organizations seem too keen on diversity & inclusion – out of 14 companies, 8 declared

that they meet all the criteria in this direction. Also, another significant interest field is the involvement in the community, which 8 companies mentioning effort in this regard.

**Table 1. Branding Awards in Romania in 2022**

1.	BAT
2.	Bosch
3.	Cognizant Software
4.	Continental Sibiu
5.	Decathlon
6.	eMAG
7.	Farmacia Richter
8.	Fortech
9.	Huawei
10.	Kaufland
11.	Lidl
12.	Mavericks the agency
13.	McDonalds's
14.	Mega Image
15.	Michelin
16.	mindit.io
17.	Nagarro
18.	Penny
19.	Profi
20.	Publicis Groupe Romania
21.	REGINA MARIA

Source: Authors' own research results

Conversely, commitment for environment and health seem to be less highlighted in their communication about CSR, as these two areas are mentioned only a few times on their websites.

### ***Diversity & inclusion***

Diversity is increasingly present in corporate values. This concept is related, as Griffin and Moorhead mention, to likeliness and differences between employees' age, gender, ethnicity, physical abilities and disabilities, race and sexual orientation (O'Donovan, 2017). Over a half of the organizations analyzed in the present paper include diversity in their CSR statements. At first glance, the most important directions in which companies are conducting activities are diversity for people with disabilities, followed by cultural diversity.

While diversity focuses primarily on the demographic composition of groups and organizations, inclusion emphasizes employee engagement and ways to increase the participation of all employees and harness the effects of diversity within the organization (Nair & Vohra, 2015). Out of 8 companies that declare they are focused on the diversity & inclusion topic, 4 do not mention what are the specific initiatives they have in this sense. The remaining 4 companies, 2 usually conduct permanent or occasional campaign with the goal of hiring people with disabilities. These 2 companies activate in retail and they declare that people with disabilities are well accepted and integrated in company, and the workplace meet all the conditions required for this.

The other 2 companies are focused on cultural diversity and a non-discriminatory wage system.

### ***Community***

Community-oriented corporate programs plays an important role in approaching the main challenges that human resources specialist are facing, leading at the same time to direct benefits for the companies (Tuffrey, 2003). Out of 14 companies that could be analyzed, more than a half integrate community-dedicated initiatives in their activity.

The actions for the benefit of the community in which employees are involved cover sensitive topics such as children at risk of social exclusion, children with terminal or special illnesses; inclusion of persons with disabilities; women victims of domestic violence, animal protection and environmental protection. These actions have been identified especially within the large retailers in Romania. The same companies are dedicated to causes such as supporting local partners or NGOs.

The way in which the employees are involved is different from company to company – from proposing ideas for decision makers, to visits in community, to the daily count of the number of steps taken to achieve a final common goal or blood donation. Campaign which aims the benefits offered for employees or their families include scholarships to the children with good results in education or the setting up of a telephone line for psychological counseling, dedicated only to the employees.

### ***Environment***

Climate changes are one of the most difficult issues companies are facing today, with pressure coming from consumers, government and stakeholders to commit to and take action against global warming. Employees need to be given the strength, courage, confidence, and knowledge to take action and inspire others to take action. By involving employees, they make an essential contribution to achieving organizations' environmental goals. (Salter, 2009).

Corporate social responsibility (CSR) actions at the micro level within a company are important interaction points for shaping self-perception and environmental perception in the context of employees' workplace behavior. These CSR initiatives help to create awareness among employees and lead them to revise their environmental perspective. Therefore, they become more motivated to act in line with this perspective, contributing to the protection of the environment as individuals and thus reducing the impact of pollution. Hence, sustainability can be considered as a "new norm" which has influence in personal behavior of employees in relation to the environment (Kong et al., 2021).

Out of 14 companies, only 3 point out their commitment regarding environment on the career page. For example, one of the actions taken by these companies is planting trees in disadvantaged areas – here, the employees were volunteers. Also, a retail company highlight that, in the sense of protecting the environment, their new stores are designed to be energy efficient.

However, another company mention that they are sustainability concerned, but without many more details. The other 11 companies involved in analysis choose to create a dedicated-section on their websites for this kind of information. Their career pages is only populated with benefits & compensations details or open positions.

### ***Health***

In terms of health sector, only one of the large retailers in Romania among the companies analyzed, manages to stand out. It clearly and concisely presents, on the employees and potential candidates dedicated pages, their initiatives and events designed with employees or

for them. Social and employment policy is geared towards supporting social rights, paying particular attention to the legal and human rights of employees. In this context, principles related to corporate social responsibility are integrated. This approach aims to take into account the interests of employees, including ensuring their health and safety. As such, employers are in charge of ensuring that employees well-being concerns are integrated in CSR strategies, including aspects such as work-related stress, flexible working hours, work-life balance, and the overall well-being of employees – all of which have a significant impact on the health of the population (Macassa, Cruz Francisco and McGrath, 2017).

Through actions like blood donation, organizing charity fairs in support of NGOs with medical activities and providing a specialized telephone line for psychological counseling for employees, this company manages to highlight its commitment to health in the section dedicated to career. Also, a technologic company mentions the support provided to the Romanian authorities in the fight against the COVID-19 pandemic.

### ***The impact of regulation on consumer behavior***

Potential talents, especially those who have social and environmental concerns, are attracted to companies that are involved in corporate social responsibility (CSR). CSR is perceived as a way to incorporate their personal values into their future workplace, communicating the details related to its offer a positive impact about the expected work environment within the company. Through these signals, candidates can make inferences about their potential employer' attitude, as CSR suggests fair treatment of stakeholders (Jakob et. al., 2021).

From this point of view, the integration of details about the company's social responsibility commitments on the career page becomes more and more important. This idea is also strengthened by other previous research (Micik and Micudova, 2018) where it is highlighted that employers increase their likelihood of shaping a favorable image as an employer once they integrate information on the company's core values, social responsibility and long-term prospects into their career opportunities page.

The companies analyzed before demonstrate a remarkable potential when it comes to their commitment for social responsibility. Some of them are well-known for this on the Romanian market, especially when we talk about the retail industry. Despite all of their different project and commitments in different social responsibility areas, only one minor part of these analyzed companies manage to reflect their concern also on their career page. By neglecting this important communication opportunity with their potential talents, these companies risk to lose a significant number of potential candidates, especially those who share the same values as the company.

### **Conclusions**

The conclusions of this paper highlight the crucial importance of building a strong employer branding in the current context in Romania, where companies need to face the transformation of the labor market – from an employers' market to an employees' market. In this regard, a CSR strategy represents an often strategy to follow by employers. The aim of this research is to discover the way in which Romanian companies integrate CSR in their strategies for building the employer image and to what extent this information are reflected on their career pages on their websites.

This study has analyzed in details the EB communications from 21 winners of the Employer Branding Awards from 2022. The aim was to identify their involvement in terms of environment, community, diversity & inclusion, and health as well. The results obtained shed light on the fact that out of 21 companies, only 14 provide relevant information about CSR on

their career pages. Diversity & inclusion topic are approached by almost all of them in their CSR strategies, highlighting the importance of hiring diverse demographic groups and the promoting of an inclusive workplace.

Conversely, involvement in community and environment are rarely approached – topics in their CSR communication, suggesting possible development of these areas. Additionally, some of the companies manifest an interest for building a healthy work environment by creating health-related activities and supporting their employees, especially in the COVID-19 context. This study highlights the importance of integrating CSR related information on companies' webpages, focusing on the opportunity to find right candidates who share the same values and attitudes as the company. This can spread a positive signal about company's work environment, organizational culture and social commitment, influencing also the candidates' decision.

In conclusion, Romanian companies can gain a great competitive advantage by developing a powerful CSR strategy and by transparent communication about their commitment on their website pages. By attracting candidates who share the same values, these companies have the opportunity to build a positive and healthy workplace, increasing their reputation and positively influencing their relations with employees and stakeholders.

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