

**ICEST 2021**

**II International Conference on Economic and Social Trends for Sustainability of Modern Society**

**EMPLOYER BRANDING IN THE RAILWAY INDUSTRY**

S. A. Sugak (a), S. N. Kosnikov (b), A. L. Zolkin (c)\*, V. V. Goncharov (d)

\*Corresponding author

(a) Center for internal communications and employer branding of Russian railways OJSC,  
Zemlyanoy Val Street 9, Moscow 105064, Russia, sugaksa@center.rzd.ru

(b) Department of Economic Cybernetics, Federal State Budgetary Educational Institution of Higher Education  
«Kuban State Agrarian University named after I.T. Trubilin», Krasnodar, Russia

(c) Computer and Information Sciences Department, Povolzhskiy State University of Telecommunications and  
Informatics, Samara, Russia, alzolkin@list.ru

(d) Department of State and International Law, Federal State Budgetary Educational Institution of Higher Education  
«Kuban State Agrarian University named after I.T. Trubilin», Krasnodar, Russia

**Abstract**

The article is dedicated to the creation of an employer brand in the transport industry on the example of the Russian Railways holding. The article describes the situation on the labour market and analyses the ideas of job seekers and potential candidates about work in the company and in the transport industry based on surveys of research companies. The reasons for these ideas are investigated and the cultural and historical context of the development of the transport industry and Russian railways is described. The current state of the transport industry and key projects of Russian Railways are described. The article provides a brief description of projects aimed at developing and promoting the Russian Railways brand as an employer. In particular, it is about the creation of an Employee Value Proposition (EVP), the launch of the company's Career Portal, the development of the RZD.GENERATION program, which allows attracting young talent from among students to the company, as well as working with digital and offline tools in the framework of development of internal communications with employees.

2357-1330 © 2021 Published by European Publisher.

*Keywords:* Employer brand, company reputation, railways, personnel management, HR-marketing



## **1. Introduction**

The results of any business depend primarily on the quality of the company's human capital, on the talent, motivation and training of employees, on their willingness to learn new things and go along with the employer in the chosen profession. Today, all large companies have programs for finding, retaining and promoting of talent. As practice shows, it is easier to solve these problems if the company has a strong employer brand, because job seekers assess how the employer meets their values and expectations. That is why it is necessary to form a positive image of the company among the external audience (applicants, students and even school students) and convey to them the benefits of working in the organization. Also, it is important to work with the internal audience, developing internal communications and feedback, maintaining an effective and, at the same time, attractive corporate culture.

## **2. Problem Statement**

Today the labour market is highly competitive. The share of the working-age population is decreasing, and the demand for personnel is growing, which is primarily due to new trends, the needs of customers and partners, as well as the introduction of new technologies. Competition is developing especially sharply among the youth audience. It is on young people employers pin special hopes today, since the younger generation possesses a number of qualities that are important for sustainable business development (which, first of all, include a high level of computer literacy, quick learning, ease of adaptation to new conditions and requirements). At the same time, the share of young people is small, since a small generation of the 90s entered the market. Today, for many large companies, the balance of generations is one of the key points in personnel policy, because young people have a high potential for economic activity, and their share should be sufficient to replace retiring workers.

However, the problem is that the transport industry as a whole is not a priority for applicants, including among graduates of the best Russian universities. The most attractive sectors on the labour market today are the banking sector, energy and raw materials mining, FMCG, and telecom (Batler, 2021).

## **3. Research Questions**

For a number of reasons, applicants have a poor idea of what transport and logistics are today, and what prospects are there for professionals in the transport and logistics sector in general and on the railway in particular (Ivanova, 2019; Osovitskaya, 2017). The traditional closeness of the Russian Railways played its role, there are good grounds for saying that the railway is called “a state within a state” - with its own internal rules and even its own telegraphic language, which is not always understandable to outsiders. And it was possible to get to work in this structure mainly through branch education, the railway historically covered all its personnel needs with the help of branch educational institutions or an internal personnel reserve. It shall be noted that today, within the framework of its youth policy, Russian Railways is traditionally working closely with industry-specific university complexes.

But today the situation is changing, and transport is again in the spotlight - largely due to breakthrough projects and IT solutions that open up new opportunities for the industry.

Smart solutions are no longer a fantasy for the railway industry. It is seen that high-speed traffic allows rail to compete with aviation over short distances, and global transport corridors (such as, for example, the railway line from China to Europe through Russia and Kazakhstan) - with sea carriers.

#### **4. Purpose of the Study**

A number of breakthrough projects are already being implemented at Russian Railways. The infrastructure and rolling stock are being updated, the number of foreign projects is growing, the first lines of high-speed railways (HSR) are being designed, an own engineering centre has been created, automation and digitalization of production processes is underway (key areas are automatic collection and processing of data on the state of rolling stock and infrastructure, the introduction of deserted technologies in the operation of stations and train management, the use of digital modelling - BIM-technologies - in the construction of railway facilities). Finally, the company has become a key partner of the state in the development of quantum communications.

Systematic work to create an employer brand at Russian Railways began in 2020, when, on the initiative of the HR Department of Russian Railways, the Centre for Internal Communications and Employer Brand has been created. The main objectives of the department are to strengthen and promote a positive image of the company as an employer in the labour market, building a system of internal corporate communications with employees, including receiving feedback from them, targeted information on key HR topics, and promoting the values of the company as an employer.

#### **5. Research Methods**

The basis of an employer's brand is the so-called Employee Value Proposition (EVP). This is a set of advantages that the company offers to employees and candidates in the labour market, the reason formulated for the applicant why he shall go to work for this particular employer.

To deduce the unique features of the value proposition for Russian Railways, an online jobseeker survey has been conducted among 6,472 respondents, 5 workshops with more than 60 company executives and 10 interviews with top managers, 70 focus groups on railways and an internal online a survey with more than 8 thousand employees, proposals and positioning of competitors have been studied. As a result, today the company has a clear understanding of the strengths of Russian Railways, shared by all target audiences, regardless of the level of position, profession and geography, as well as those areas that still need to be worked on.

Today the company works with three key audiences - applicants, students and school students. They shall be informed about the benefits of working in the company, their interes shall be provoked by talking about the company and the opportunities that Russian Railways opens up for professional and career growth, and it is important to speak with the key audiences in a language they understand.

To work effectively with applicants, Russian Railways has allocated recruiting to a separate structure, and today recruiting centres - as a single window for candidates to enter - are being created on all sixteen roads (previously, directorates and services independently published information about open vacancies on thematic portals) (Michaels et al., 2005; Ulrich & Brockbank, 2017). A single technology for

recruiting personnel throughout the network allows you to form a single database of applicants, quickly fill vacancies throughout the network, as well as better predict the need for personnel and proactively build relationships with potential candidates.

Recruiters are looking for new staff on all available platforms, from traditional job search sites to social networks and professional communities (Ambler, 2008; Barrow & Mosley, 2007; Martin & Hetrik, 2008). Typical templates for the main railway professions have been developed. This made it possible to talk about each vacancy in such a way that the requirements and opportunities are understandable to applicants, who, as a rule, do not always understand the specifics of work in the company. Also, within the framework of this approach, a page of JSC "Russian Railways" was created and branded on the key national resource for job search hh.ru – candidates go to this from search engines or vacancy descriptions on HeadHunter.ru. The task of these pages is to attract the attention of the candidate, to be remembered by him with a visual style, a clear description of the advantages of working in a company. In the future, branded company pages will appear on other job search resources - such as Avito, Zarplata.ru.

Work with students is carried out, firstly, within the framework of the Program for the Development of Interaction between Russian Railways and University Railway Transport Complexes until 2025. One of the directions of the Program involves the development of an employer brand and strengthens the presence of Russian Railways in railway universities as an attractive modern employer. In particular, branded audiences and coworking spaces have appeared in universities, these brand zones are used for various thematic lectures, master classes and extracurricular activities. In addition, company executives regularly come to universities to give lectures, share their experiences, talk about innovative projects and the company's plans for the future.

Secondly, over the past two years, the RZD.GENERATION communication program has been actively developing, which allows attracting talented youth to the company, including from non-railway universities. RZD.GENERATION shows the youth audience of Russian Railways from different sides - it introduces the organizational structure, corporate culture, the most interesting tasks and, finally, with a large team of railway workers. At the first stage, within the framework of this program, only 3-month internships were offered in the divisions of the Russian Railways holding with the possibility of subsequent employment.

During 2020, the possibilities of RZD.GENERATION have expanded, due to new formats, the coverage of participants has increased. Currently, the program unites more than a dozen different educational and communication activities - internships and practices, business cases and research projects, hackathons and case championships, career guidance quizzes, Career days, as well as excursions to production facilities, offices and museum complexes of JSC Russian Railways, meetings with stakeholders. Also, "Scientific projects" were launched - a new format involving remote work on interesting cases. Guest lectures at universities, which were launched even before the pandemic, received a good response. A separate area of work is schoolchildren and their parents (Dudukalov et al., 2020; Gromova, 2014). The company has been systematically engaged in vocational guidance for children and adolescents for a long time, in this area there are proven methods and its own infrastructure: 25 Children's Railways are in operation, on their basis the Quantorium technoparks have already been created, where a child can discover a dream profession and understand modern technologies and engineering professions.

In addition, the company began to open hub schools; in 2020, 37 municipal educational institutions and 21 departmental schools received this status. In these schools, there are railway engineering classes with in-depth study of physics, mathematics and computer science, in addition, electives have appeared in school schedules designed to familiarize students with railway transport. The main goal of hub schools is to interest children in the prospects for building a career in railway transport and to provide a high level of training for teenagers in technical subjects necessary for admission to universities of communications. If there were other transport companies who were also active in working with the younger generation, there would be much more young people who want to connect their professional life with the industry.

## 6. Findings

One of the important steps towards creating the image of a more friendly, open and understandable company for potential candidates was the launch of the Career Portal of the Russian Railways holding (team.rzd.ru). Today, it is the key communication channel allowing the company to interact with all key audiences.

The main page of the portal is a "showcase" that creates a complete impression of the company, team and large-scale projects of the holding. In essence, here the company makes an offer to a professional or talented student to join the team and backs it up with information about the social package, so that it is clear how the company cares about its employees, and also shows opportunities for career and professional growth. These opportunities are illustrated by employee success stories.

From the main page the user can go to special sections. A suitable position can be found on the page for applicants through the search - for a specific position, for the main areas of the company, as well as for key projects, including international ones. This section also provides an opportunity to apply for training in a working profession in one of the 15 training centers of the company.

With the launch of the Career Portal, the company has its own face as an employer, and potential employees have the opportunity to learn about their projects, vacancies, corporate culture and join the team. The popularity of the Career Portal is growing; by the end of 2020, the monthly audience of the resource exceeded 113 thousand people. As shown by the survey of IT students at Universum 2020, for them the employer's website with job descriptions is in the top 3 communication channels.

Internal communication is an important part of developing an employer brand. It involves the development of channels of interaction with employees - these are digital and offline communication tools (Dudukalov et al., 2016; Ling & Yumashev, 2018; Yumashev et al., 2020). Today, the ecosystem of internal communications at Russian Railways includes a number of tools - from the Service Portal and messengers, e-mails and brochures to the Hotline and major educational events. A special attention is paid to the language of communication - we try to speak with all our audiences in a simple, understandable and useful way, accessible about the complex - so a large company becomes more open.

Another important channel of feedback is regular surveys of staff opinions. The obtained data allows to understand how else the company can show its concern for its employees. It is important that management decisions are always made based on the results of each survey conducted on a corporate or local scale.

## 7. Conclusion

Thus, all efforts aimed at building and strengthening the employer's brand can be assessed through specific indicators - assessments of the professional community and the company's presence in employer ratings, which reflect the opinion of job seekers, as well as through indices of employee satisfaction and involvement. The company's projects in the field of HR in recent years have been repeatedly noted by the professional community. For many of them, working for a company is an island of stability in a world of rapid change (Akhmetshin et al., 2018). Among the key advantages and key advantages of the company, the respondents named the observance of social guarantees and the unique atmosphere in teams, where they are always ready to support a colleague, help him, and give an incentive for further development.

As it is shown by the experience of the Centre for Internal Communications and the employer's brand of Russian Railways shows, in conditions of high competition for talents, purposeful work with the employer's brand allows the transport and logistics company to significantly improve its position in the labour market and attract the best candidates, and the transport industry to strengthen and move forward due to new promising projects, since personnel is the basis for the development of any business.

## References

- Akhmetshin, E. M., Ilyasov, R. H., Sverdlikova, E. A., Tagibova, A. A., Tolmachev, A. V., & Yumashev, A. V. (2018). Promotion in emerging markets, *European Research Studies*, 21, 652-665.
- Ambler, T. (2008). To what level the brand capital is driven by trust, *Brand management*, 04(41), 212-225.
- Barrow, S., & Mosley, R. (2007). *The Employer Brand: Bringing the Best of Brand Management to People at Work*. IDT Group LLC.
- Batler, I. (2021). *HR-marketing. How to make your company the dream of all candidates*. Alpina Digital.
- Dudukalov, E. V., Rodionova, N. D., Sivakova, Y. E., Vyugova, E., Cheryomushkina, I. V., & Popkova, E. G. (2016). Global Innovational Networks: Sense and Role in Development of Global Economy, *Contemporary Economics*, 10(4), 299-310. <https://doi.org/10.5709/ce.1897-9254.217>
- Dudukalov, E. V., Spabekov, G. O., Kashirskaya, L. V., Sevbitov, A. V., Voronkova, O. Yu., & Vasyutkina, L. V. (2020). Fiscal Goals of Regulating the Activities of the Institute of Controlled Foreign Companies in the Digital Economy, *Entrepreneurship and Sustainability Issues*, 8(2), 972-983. [https://doi.org/10.9770/jesi.2020.8.2\(59\)](https://doi.org/10.9770/jesi.2020.8.2(59))
- Gromova, N. V. (2014). The role of human capital in ensuring the competitiveness of modern companies, *Modern competitiveness*, 6, 124-132.
- Ivanova, S. (2019). *HR-branding traps. How to become the best employer for employees and candidates*. Alpina Digital.
- Ling, V. V., & Yumashev, A. V. (2018). Estimation of worker encouragement system at industrial enterprise, *Espacios*, 39(28), 10.
- Martin, G., & Hetrik, S. (2008). *Corporative reputations, branding and personnel management*. IDT Group LLC.
- Michaels, E., Handfield-Jones, H., & Axelrod, E. (2005). *The war for talent. Translated from English by Yu. E. Kornilovich*. Mann, Ivanov and Ferber.
- Osovitskaya, N. (2017). *HR-branding Focus on effectiveness*. Piter.
- Ulrich, D., & Brockbank, W. (2017). *The HR value proposition*. Pretext.
- Yumashev, A., Ślusarczyk, B., Kondrashev, S., & Mikhaylov, A. (2020). Global indicators of sustainable development: Evaluation of the influence of the human development index on consumption and quality of energy, *Energies*, 13(11), 2768. <https://doi.org/10.3390/en13112768>