

# Factors Affecting Strategic Types of Organizational Culture: Evidence from Organizations and Managers Operating in the Czech Republic

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## Abstract

As the corporate culture and re/setting of employer – employee relations is crucial due to changes in workplace due to impact of COVID-19, this article aims to identify types of organizational culture, and to find impact on the implementation of HR activities and employer branding, including classification of organizations by their defined strategies. A model of organizational culture, including its systematic relationships, is proposed and tested using a sample of 402 organizations across sectors operating in the Czech Republic as a characteristic economy in Central Eastern European region. This model includes different dimensions of internal brand management and manifestations of organizational culture. Data are analyzed using bivariate and multivariate statistics. Identification of a suitable type of organizational culture leads towards successful employer branding and work engagement; brand identification and communication directly raise positive perception of organizational culture. Three major areas of use of organizational culture and branding have been identified: re-setting of personnel processes depending on the change of organization's size, on the decline in labor productivity and on organizational mergers, changes in scope of business and in market position. The results suggest that orientation on employee engagement is a better predictor of (positive) organizational culture than increase in productivity. Furthermore, the results explain supportive roles of organizational culture towards customers and employees. The results extend theory by empirical analysis of organizational culture and internal brand management from the employers' perspective.

## Keywords

Organizational culture; employer branding; communication; employee, engagement, human resources.

## Introduction

The development of strategic management in organizations anticipates constant changes in the managerial paradigm in connection with the development of the entire society, which is stochastic, irregular, nonlinear, discontinuous and unpredictable by classic forecasting and planning methods. Predicting the future is no longer extrapolation of the present. These changes in strategic management of organizations have also been reflected in the development of Human Resource Management (hereinafter referred to

as HRM). Not only have they been reflected in individual HR activities themselves, but also in the diversity of responses of organizations to changes in HRM (Florkowski et al., 2016). Currently, HRM must become an integral part of strategic orientation of an organization (Florkowski et al., 2016; Dubkēvičs et al., 2015) and individual HR activities must be performed not only at a sub-management level, but with a comprehensive view on the development of the entire organization in the next years. The organizational culture may be considered the factor affecting creation of values through the organizational strategy.

Codification of organizational culture ranks among the areas that are crucial for strategic management of organizations and correct setting of all processes, whether they are financial, personnel, process or social (Pakdil and Leonard, 2015; Doherty and Norton, 2014), and a constant emphasis must be placed on continuity of organizational activities. With COVID-19 situation is more important to solve the setting

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up of HR activities in every organization and re-design the organizational culture. Some authors (Urbancová, 2012; Kachaňáková and Stachová, 2011) performed research has evidenced that productivity may be increased by defining and codification of organizational culture. When increasing productivity, (Kayan, 2016) emphasizes continuous innovations, which according to (Dempsey, 2015; Csaszar, 2012; Livari and Livari, 2011) are necessary for all processes, including HR activities and organizational culture. By modifying these internal factors, organizations can then improve their development and talent management system, and thus increase their efficiency. However, the research by (Shaikh, 2016; Urbancová, 2012; Kachaňáková and Stachová, 2011) shows that organizations fail to make continuous analysis of their organizational culture and do not adapt it to new conditions in a suitable way. However, one must also realize that external conditions are constantly changing and therefore it is essential that organizations do not approach the existing organizational culture as static. They must adapt their culture to ever-changing conditions. Only this way, organizations can develop themselves further through efficiently set processes that are primarily aimed at working with people and supporting employer branding.

The paper brings evidence of the classification of organizational culture, its practical use and significant relations with successful employer branding from Central Europe as there is lack of studies on organizational culture in Central Eastern Europe. Especially, due to the economic, historical and social similarities in Central Eastern European countries, the results of this study bring important insight into re-setting of organizational culture to improve employee relations and employer branding due to the still low unemployment rate especially in tertiary sector in referred countries and currently due to different requirements of employees after COVID-19.

The article aims to analyze individual phases of organizational culture, to evaluate its results and impact on the implementation of HR activities and employer branding, including classification of organizations by the currently defined partial strategies of the organization. Organizational behavior is determined by the analysis of organizational culture, which is essential for all organizations. Therefore, the issue is topical for all organizations regardless of their line of business, size or scope of activity. The paper also presents a classification of approaches to building organizational culture in organizations. Possible approaches in terms of objectives and direction of types of organizational culture are discussed. A special emphasis is placed on linking the organizational culture to the

employer's brand perception and the measurable impact on the organization, which employer branding offers through organizational culture. This is a topic of strategic HRM, which can be applied both theoretically and empirically. The focus of organizations on analyzing their organizational culture with a view to building an employer brand is to contribute not only to the increased competition, but also to the positive changes in the organizational climate and effective human resource flow.

## Theoretical background

Within this context, researchers have become particularly interested in exploring internal branding activities in connection with organizational culture and their impact on organizational strategy and outputs together with employees' favorable attitudes and behavior (Buil et al., 2016; Huang and Rundle-Thiele, 2014; Burmann, 2009; Punjaisri and Wilson, 2007). However, despite some new theoretical advancements, current academic research in this area still lacks empirical evidence, since existing studies are mainly theoretical or based on a limited number of studies. In addition, previous empirical studies have investigated the effects of only a limited number of variables. The presented study focuses on a broader area and explains relationships within the model of systematic types of organizational culture and their relations to employer branding effectiveness. The success of an organizational culture depends on its power and influencing the employer branding effectiveness (Suomi et al., 2021).

The content area of the article is focused on analyzing organizational culture and identification of causes when organizations must analyze organizational culture and its impact on the implementation of individual HR activities aimed at employer branding. Meaningful employer branding belongs to the important current trends, which help recruit and retain high-quality employees and reduce staff turnover (Suomi et al., 2021; Love and Singh, 2011; Mohr et al., 2011). First and foremost, organization's mission and strategy, including the HRM strategy, must be defined and set in any organization (Athanassiou et al., 2019; Csaszar, 2012). HRM strategy facilitates orientation and unification of the behavior and conduct of all employees and their overall development in accordance with the organization's needs. Overall, the strategy will thus enable meaningful planning and management of all HR activities (Aroles et al., 2021; Lokaj and Sadrija, 2020). Under this strategy, organizations should define specific strategies, such as the HR strat-

egy, and in connection with the organization-wide strategy to set specific strategies of quality, innovation, organizational culture as well as the environmental and ergonomic strategies (Gierszewski and Pieczywok, 2020). At present, when the competitive environment is increasing, organizations focus on specific (more modern) strategic trends and formulate new HRM strategies, including the aforementioned ones, which lead to continuous improvement and maintain targeted and constantly increasing innovations during a certain period (Aroles et al., 2021; Yang and Zhang, 2021). One can thus summarize that currently there is a growing belief that HRM should focus not only on improving the quality of working life and employee development, but also on increasing productivity, employee satisfaction and readiness for changes, with an emphasis on presenting the organization as a good employer within the organization and also externally, since the predetermined objectives and visions may be achieved by organizations only on the basis of well-chosen strategies of organizational culture and employer branding (Suomi et al., 2021; Lokaj and Sadrija, 2020).

Consequently, this research provides a better understanding of the types of strategic organizational culture from the managers' perspective and explores how the different approaches to organizational culture influence employer branding. Specifically, the study examines the effects of organizational culture dimensions, such as communication, efficiency, mobility, and attractiveness.

This research contributes to the literature in various ways. First, it fills a gap in the current academic literature on strategic approaches towards organizational culture and its relations towards employer branding. Specifically, it extends previous research (eg., Suomi et al., 2021; Aroles et al., 2021; Yang and Zhang, 2021; Lokaj and Sadrija, 2020; Gierszewski and Pieczywok, 2020) by empirically analyzing how different types of organizational culture influence employer branding and its perception. Furthermore, this study has practical implications for practitioners in the suggestions for practical application of identified types of organizational culture based on their preferences and strategic aims (Gierszewski and Pieczywok, 2020). It offers useful guidelines on how to manage employer branding elements in order to construct desirable brand identity that fosters commitment of employees and attracts potential employees and talents. The lack of knowledge about the relations between organizational culture and employer branding may negatively affect employees and customers' perceptions of product or service quality and damage relationships within an organization (Suomi et al., 2021).

The paper is a broad empirical study aimed at approaches to organizational culture and its implications and impact on organizational performance. The article has practical implications. Moreover, the article identifies reasons for applying the analysis of organizational structure, identifies differences between organizations and their individual organizational strategies and specific strategies in HRM, which support employer branding. According to (eg., Suomi et al., 2021; Aroles et al., 2021; Yang and Zhang, 2021; Lokaj and Sadrija, 2020; Gierszewski and Pieczywok, 2020) the relationships between organizational culture and employer branding are emerging as hot topics among scholars and practitioners, as those concepts are defined as a comprehensive approach to managing, processing and analyzing the impact of strategic HRM to create viable ideas for delivering sustained value, measuring performance and establishing competitive advantages. With respect to the current research results (Sinha and Dhall, 2020; Kim and Park, 2020; Zhang et al, 2020) which focused on organizational culture and HR activities in foreign countries, our research continues with monitoring current situation in the Czech Republic. Further, originality of this article lies in the application of organizational culture as a tool that supports employer branding, productivity, and maintains business continuity.

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## Methods and materials

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The article is based on the analysis of primary and secondary sources, synthesis of knowledge, induction, deduction and comparison. Scientific monographs and scientific articles in the Web of Knowledge and Web of Science dealing with the current issues, namely organizational culture, employer branding and human resource activities, were analyzed within the secondary sources.

Primary data were obtained by an anonymous electronic survey targeted at Czech organizations. The Czech Republic is one of the post-communist countries in the Central Eastern Europe with 10.65 million inhabitants (2019). According to World bank, it's GDP is 250.7 billion USD (2019) with growth rate 2.3% (2019), which exceeds other countries in the region, such as Slovakia (105.1 billion USD) and Hungary (163.5 billion USD), but still far behind developed European countries, i.e. Germany (3.861 trillion USD). On the other hand, Czech Republic has very low unemployment rate (2% long term) with higher urban population and still growing. Life expectancy is similar to developed countries (approximately 80 years).

To obtain data, the quantitative type of survey was conducted using the questionnaire technique of data collection. A total of  $n = 402$  organizations participated in the questionnaire survey conducted across all economic sectors in the Czech Republic (774 were contacted, the response rate was 51.9%). The organizations were selected for the research only and their composition was random, it did not respect the exact breakdown in the national economy. The questionnaire respected the ethical aspect and anonymity of respondents.

The structure of organizations which participated in the research was as follows:

- Business sector: 70.7% private sector, 14.4% public sector, 14.9% state sector.
- Sector of economy: primary 3.0%, secondary 28.6% and tertiary 68.4% (according to the Czech Statistical Office).
- Market in which the organization operates: 12.2% local, 23.6% regional, 26.4% national, 37.8% international.
- The organization is a part of a multinational organization: 50.0% is a part of a multinational organization, 50.0% is not a part of a multinational organization.
- Organization size: 1–9 employees 16.7%, 10–49 employees 24.3% 50–249 employees 24.9%, 250 and more employees 34.1%.
- HR Department existence: 48.3% of the respondents has HRD in place, 51.7% does not have HRD.

Small and micro organizations were part of our research based on current changes in economy and business which is shifting to start-ups and spin-offs and other small businesses based on of intensifying competition, growing customer needs and requirements, bigger awareness of environmental impact, new entrepreneurs who are looking for new ways to improve and develop their operations (i.e. Zhang et al., 2020; Salwin et al., 2020). Currently it is possible to observe transfer of ownership rights to from a manufacturer to employees and customers. This shows importance of organizational culture and its shift to more responsible approaches. Therefore, new business models are extremely important as they improve stakeholders' satisfaction and experience and bring a number of benefits to entrepreneurs.

The questionnaire survey was completed by persons responsible for human resources in an organization, mostly by CEO or HR director. For potentially ambiguous questions, terms were explicitly defined.

Closed or semi-open questions, which were compiled on the basis of literature, documents and other related research, were used to obtain answers. In order to evaluate the results, descriptive statistics tools such

as absolute and relative frequencies, dependence tests ( $\chi^2$  test) and tests of strength dependence (Cramer's  $V$ ) were used. If the p-value was lower than  $\alpha = 0.05$ , the null hypothesis was rejected.

Within the multivariate statistical methods, the factor analysis was used to establish factors that summarize behavior of respondents (managers) into meaningful groups. Before using the factor analysis, a correlation matrix was created and then it was further analyzed for suitability of further calculations using multivariate methods. At first the correlation analysis, then the principal components analysis and subsequently the factor analysis using Varimax rotation were used for calculations. The Kaiser Guttman rule (i.e. essential factors have a variance value greater than 1) was used to select the essential factors. As significant values were regarded those whose value exceeded 0.3 (Anderson, 2009). The particular methodology applies only to social sciences and research work in the field of human resources.

According to (Anderson, 2009), the factor analysis was used only as verification. The emphasis on the factor analysis results is laid on the meaningfulness and substantiation of factors in terms of theory and practice in human resource management. In case of human resources research, this method is often used by researchers and provable in work with people (Anderson, 2009). Just because of the fact that factor analysis is often used in human resource research, it was also used to prepare this article. The aforementioned facts were respected in its application and it has been interpreted knowing the theory of issues (Urbancová et al., 2016).

Newly designed factors should simplify the total results of the survey. The factors explain variability and dependence of the considered variables. The factor analysis is used to create factors which summarize the use of competencies into coherent groups. The factor analysis was used based on statistically significant correlations. The basic conditions of attributes to enter the analysis were fulfilled according to (Hendl, 2006). The analysis is based on the correlation analysis with the aim to create fractional areas, where perceptions of respondents are interconnected. As mentioned above, the answers were analyzed, the main directions and areas discussed and highlighted by respondents were summarized to form factors of main topics drawn from the respondent's perceptions. Those theoretical factors were created and later tested by the factor analysis. The factors were created with regard to their merits in terms of theory and practice in the HR management processes.

The factor analysis is a more heuristic method which requires deep understanding of the examined

issue and also knowledge of and experience with the method. Therefore, the method is sometimes rejected by statistics as less exact, inconclusive and subjective. On the other hand, many researchers in social sciences (i.e. sociologists) use the factor analysis quite often and trust it (Hebák, 2006). In learning and development research the method is used quite often and favored by researchers (Anderson, 2009). It is a subjective method and the results depend on a researcher. But the whole area of human resources may be classified as subjective. It is necessary, of course, to pay attention to the basic data which show the original objective results. This study was created in this manner. The resultant data from the analysis were compared with the reactions of respondents to minimize distortion. As statistics or statistical software may group variables which seem similar, there still may be mistakes in groupings. Therefore, all results were manually controlled to make sure the internal consistency of all factors is high and all variables which form each factor are valid and coherent. These prerequisites preceded the design and calculation of the study results. The results respect the abovementioned facts to design and interpret coherent factors which may help with further evaluation and assessment of phases of analysis of organizational culture, and its impact on the implementation of HR activities and employer branding, including classification of organizations by the currently defined partial strategies of the organization. The factors are constructed based on their content and relations between similar respondents' answers and their simultaneous use.

The number of monitored variables (factors) was reduced using the Maximum Likelihood Factor Analysis with Kaiser Varimax Rotation with a goodness of fit. For the selection of substantial factors, the Kaiser-Guttman rule was applied (i.e. substantial factors having a value within the range higher than 1) and subsequently the Sutin test was applied. The correlation coefficients are in the interval  $\langle -1; 1 \rangle$ . If the correlation coefficient is positive, it shows a direct proportion (negative – indirect proportion). For the evaluation, the value of variable correlation higher than 0.3 (moderate correlation) according to (Anderson, 2008; Hebák et al., 2006) was used.

To evaluate the data, the SPSS 23 statistical software and MS Excel 2013 were used.

## Results and discussion

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Organizations and their management, document management in organizations and organizational knowledge, their influence on the employee educa-

tion and training, and the use of computing and information communication technologies are important areas significantly impacting the success of organizations. Individual codified organizational documents are closely related to each other and their common feature is an emphasis on the existence of optimal document management system and fulfilment of the organizational goals. The codification of individual strategic documents in practice has been surveyed in the organizations ( $n = 402$ ).

The research results have shown that in most cases the organizations have written documents concerning the business strategy (72.4%), the organization's mission (70.1%), then the code of ethics (68.7%) and the quality strategy (64.9%). One can conclude that codification of mission and follow-up strategies in order to make strategic decisions is a must in the current highly competitive environment. Since most organizations in Europe place emphasis on ethical codes and the quality of products and services, the results obtained from the respondents in the Czech Republic are not diverging from this trend. Unfortunately, the results have shown that only 53.5% of the respondents (i.e. the surveyed organizations) have codified the organizational culture strategy, which subsequently affects not only the personnel processes, but also the innovation potential of both individuals and organizations. However, it is necessary to realize that increasing research costs and investment in employee development and motivation or the increase in the number of innovation projects are influenced just by the organizational culture that has been implemented by the management and also adopted by employees. Especially the learning and growth prospects (from the Balanced Scorecard) are based on the organizational culture strategy. If the organizational culture is not properly defined, implemented and subsequently accepted by employees, organizational indicators can be expected to get worse. Only if the learning and growth prospects supported by the right organizational culture are fulfilled, other indicators can be met.

More detailed results of the codification of important documents are presented in Table 1 (the organization's representative could give more documents).

To obtain a deeper analysis of the results, multi-dimensional statistics has been used. The first factor analysis uses primary variables for the implemented documents in the organization. Similar approaches of respondents towards the use of codes were sought during the monitored period, describing subsequent responses regarding variables of the searched area. Based on these elements, the overall state of respondents to the set questions have been described.

Table 1  
Codification of documents of the respondents

Documents	Absolute frequencies	Relative frequencies from n = 402
Organisation’s mission	282	70.1
Business strategy	291	72.4
Personnel strategy	235	58.5
Code of Ethics	276	68.7
Quality strategy	261	64.9
Environmental strategy	181	45.0
Ergonomic strategy	110	27.4
Code of Corporate Social Responsibility	179	44.5
Strategy of organisational culture	215	53.5
Innovation strategy	172	42.8

The identified division helps to establish appropriate strategies for found groups.

The analysis revealed two major categories of organizations’ attitudes to the subject matter, which explains 53.7% of the total sample. The analysis grouped variables into factors shown in Table 2. Table 2 shows significance of individual examined factors of the codified documents by percentage and their grand total.

Table 2  
Types of organisational cultures

Variable	Factor No.	
	1	2
Organization’s mission	0.625	0.289
Business strategy	0.800	0.085
HR strategy	0.564	0.439
Code of Ethics	0.094	0.727
Quality strategy	0.787	0.064
Environmental strategy	0.574	0.345
Ergonomic strategy	0.467	0.485
Code of Corporate Social Responsibility	0.157	0.838
Strategy of organizational culture	0.399	0.575
Innovation strategy	0.564	0.369
Total % of Variance	43.274	10.379
Name of factor	Strategically oriented organization	Socially oriented organization

Variance for Factor 1 can be considered the most significant (43.274). The analysis groups extreme and internally similar opinions expressed by respondents together and forms coherent groups, which are internally consistent (the group, or more precisely the factor behaves in very similar matter) but factors are very different from each other as they group different strategic management approaches of the sample. The analysis is therefore quite useful to identify differentiated groups within the examined organizations. Based on the revealed factors, it is possible to describe a strategic position towards each of significant group and its demands, expectations, and behavior.

The identified groups (e.g. factors) play significant or dominant role in the whole sample of organizations examined. The analysis is able to capture similar responses towards different areas through the whole sample. It is, of course, not possible to describe all single approaches of all organizations as they may differ in many ways. But still, the analysis can find and confirm significant similarities of a high number of organizations in the sample.

Factor 1 is characterized by a rationally managed organization that moves in areas strictly defined by effective management. The organizations defined by Factor 1 focus on the organization’s strategy as primary and then based on that on the partial strategies for the individual activities, which are directly linked to the performance and internal functioning of the organization, such as HR strategy, quality, innovation, or ergonomic strategy. These organizations are not interested in other (non-profit, social, or ethical) areas, they do not have any systems created for them and do not pay attention to them. Therefore, Factor 1 can be called “Strategically oriented organization”. These organizations emphasize the correct setting of processes, their codification and presentation of documents to employees in the area of organization’s strategy (0.800), mission (0.625) and quality strategy (0.787). The coefficients of found factors range from 0.467 to 0.800, which is a relatively high quality of found coefficients. In addition to the strategies mentioned above, Factor 1 also groups organizations focused on innovation strategy and ergonomic, environmental, and HR strategies. All of these are strategies oriented inwards the organization and aimed at complying with legal norms and regulations. Conversely, social strategies are not applied.

The approach characterized by Factor 1 describes more than 43% of the sample of organizations. It can be summed up that almost one half of the organizations concerned have clearly defined strategies in the given areas, even simultaneously, and together they form a coherent set of clearly defined interests

of the organization. The current definition of all the mentioned strategies results in the clear orientation of the organizations and efficiency of their processes derived from the defined strategies. As already mentioned above, these organizations have defined rational strategies oriented inwards the organization, but there is no definition of the social pillar within the framework of social responsibility. The organizations in question have not defined and do not use any codes of ethics or social responsibility codes, nor have they defined a strategy of organizational culture. The social pillar is not characteristic of them and they fail to put emphasis on benefits resulting from socially oriented conduct of business and HR marketing. The organizations grouped in Factor 1 build their employer brand on rational values associated with the business performance, not with the focus on social principles.

On the contrary, Factor 2 includes three variables directly linked to the organization's values. The Code of Social Responsibility (0.838), the Code of Ethics (0.727) and the strategy of organizational culture (0.575) have a high quality of the coefficient. These organizations emphasize a continuous analysis of organizational culture and its adjustment to changes in the internal environment. Conversely, the other strategies defined and used by organizations in Factor 1 are not used too much, they are not priorities and often they are not defined at all. These are probably socially oriented organizations that have other values than strategies of other organizations. The primary focus of these organizations lies in social areas, i.e. in the use of HR marketing and building the employer's brand. Therefore, Factor 2 can be called "Socially oriented organization". Based on the values of the factor analysis, 10% of the organizations from the examined sample are shaped in this way.

However, with regard to the results, it can be stated that only 20.9% of the respondents actually perform the analysis of organizational culture. Organizations do not perform the organizational culture analysis because they solve problems that are, in their opinion, recognizable even without its analysis. However, this approach is not suitable with respect to building an employer's brand and developing strategic plans, as it reduces the organization's ability to work in and respond to changing external and internal environments. However, the respondents that perform the organizational culture analysis are aware of its importance in any change in management. Most often, these organizations make the analysis due to the transition from one development stage to another one (38.0%), then due to the inadequate or insufficient communication between individual organizational units (30.9%), due to the significant change in organization size

(26.1%) and also because the character of the current organizational culture has been made old-fashioned by changes in economy, social or technical environment of the organization (25.0%). Fewer organizations make the analysis due to the high staff turnover (22.6%), inefficient use of working time (8.9%), the change in the organization's market position, takeover or merger (8.9%), etc. Any change in these organizations is very often accompanied by a decline in productivity. The results have also shown that only 33.3% of the organizations did not record decline in productivity, e.g. 11.9% of the respondents reduced the number of employees to a minimum, 3.5% of the organizations reduced the working hours of employees, and 2.5% of the organizations performing the analysis of the organizational culture used follow-up and retraining courses for their underemployed employees.

The results examining the implications of the use or non-use of partial strategies and links to employer branding have been further elaborated by multidimensional statistics to get a deeper analysis. The examined area defines and classifies the reasons for introducing and implementing partial strategies for building the organizational culture and employer's brand. The reasons for introducing organizational culture strategies and employer branding are set out and individual approaches to their application are defined through the analysis. Table 3 shows the significance of the individual examined factors of change in the organization on employer branding by percentage and their grand total. Based on the evaluation of the calculated data, 3 significant factors have been identified. The number of monitored variables (factors) was reduced using the Maximum Likelihood Factor Analysis with Kaiser Varimax Rotation with a goodness of fit. For the selection of substantial factors, the Kaiser-Guttman rule was applied (i.e. substantial factors having a value within the range higher than 1). For the evaluation, the value of variable correlation higher than 0.3 (moderate correlation). Further details on factor processing are described in Methods section.

Variance for the Factor 1 can be considered the most significant (27.183). In total, these three identified variables explain 52.817% of the sample behavior or possibilities of resulting characteristics. The remaining 47% of organizations behave in different manner and cannot be described by any of the three factors described below. Their behavior is unique and specific and thus could not be described as similar to other organizations, which formed factors in Table 3. The analysis shows significant ways observable in the sample which are used by larger amount of surveyed organizations. There is a possibility that some orga-

Table 3  
Impact of organisational change on employer branding

Variable	Factor No.		
	1	2	3
Decline in labour productivity	0.013	0.867	0.099
Inefficient use of working time	0.176	0.847	-0.026
Problematic interpersonal relationships in the workplace	0.487	0.372	-0.290
High staff turnover	0.406	0.240	0.208
Inadequate or insufficient communication between different organisational units	0.729	0.328	-0.030
Discrepancy between the current organisational culture and the strategically needed organizational culture	0.621	0.003	0.035
The character of the current organizational culture has been made old-fashioned by changes in economy, social or technical environment of the organization	0.444	0.112	0.425
Organization's transition from one development stage to another one	0.481	0.165	0.554
Significant change in organization size	0.646	-0.093	0.187
Significant change in the scope of business	0.054	-0.049	0.667
Change in the organization's market position, takeover, or merger	-0.001	0.013	0.825
Total % of Variance	27.183	15.543	10.092
Name of factor	Re-set of HR activities	Re-set of work process	Change management

nization use combination of below mentioned factors, but the impact is not visible as a trend in current business environment, as the statistics could not detect it as significant.

Factor 1 focuses on effective setting of processes for all employees in relation to the significant change in the organization size. This change also entails the need to re-set HR processes and, together with

that, employer branding. Therefore, Factor 1 can be called “Re-set of HR activities”. In these organizations, employer branding focuses on organizational climate (0.487), high staff turnover (0.406) and communication involvement (0.729) identified by the factor analysis to solve problems. The aforementioned ways are used by the organizations to effectively set their organizational culture. The coefficients of found factors range from 0.406 to 0.729, which is a relatively high quality of the found coefficients. In total, this behavior is typical of 27% of the respondents.

Factor 2 includes two values associated with the organization of work. In this case, employer branding focuses on the organization of work. The decline in labor productivity (0.867) and inefficient use of working time (0.847) have the high quality of the coefficient. These organizations place emphasis on job analyses, job descriptions and therefrom resulting employee outcomes. The factor can therefore be called “Re-set of work process”. 15.5% of the respondents behave in this way.

Factor 3 called “Change management” summarizes the crucial role of employer branding during organizational changes. Within Factor 3, three significant coefficients are the changes caused by the organization's transition from one development stage to another one (0.554), changes in the scope of business (0.667) and changes in the organization's market position (0.825). It may be concluded from the results that these organizations place emphasis on early warning systems and a proactive approach during changes, especially where management principles of organizational culture and employer branding considerably facilitate a smooth course of change. This way of work can therefore be recommended also to other organizations in the process of change and its management. As it is possible to see, organizational identification of a suitable type of organizational culture leads towards successful employer branding identification and work engagement.

However, it is necessary to realize that the effective setting of HR processes as well as the ability of proactive behavior of organizations affects employer branding and are based on the setting of organizational culture. To redesign the organizational culture in order to improve employer branding, is thus necessary in case of changes primarily in the internal environment. In the event of changes in the organizational culture of respondents, most often these changes were caused by the need for change in the organizational structure and work processes (in 100%); on the contrary, the fewest changes were in top management (47.6%, see Table 4 – the organization's representative could tick more answers).

Table 4  
Areas of change in the organisational culture

Areas	Absolute frequencies	Relative frequencies from n = 84
Values, principles, norms, attitudes and symbols	41	48.8
People (a change in the approach to people in the organization)	63	75.0
The organizational structure and work processes	84	100.0
Top management	40	47.6

Given that the biggest stimulus, namely in 100% of the respondents dealing with the organizational culture analysis, was the change in the organizational structure, work processes and work with people, it is also necessary to focus on the personnel activities that the particular organization carries out in the human resource management and the organizational culture helps implement and set them effectively (see Table 5, the organization's representative could tick more answers).

Table 5  
Human resource practices impacting organizational culture and employer branding

Areas	Absolute frequencies	Relative frequencies from n = 402
Personnel planning	84	20.9
Work analysis	37	9.2
Employee recruitment	59	14.7
Employee selection	78	19.4
Employee adaptation	68	16.9
Outplacement	5	1.2
Employee training	65	16.2
Employee appraisal	79	19.7
Employee remuneration	71	17.7
Labor relations	89	22.1
Employee communication	91	22.6
Working conditions	63	15.7
No areas listed above	6	1.5

The results have shown that the organizational culture and employer branding of the respondents mostly influences the HR processes in the area of communi-

cation, labor relations and personnel planning, while at the same time supporting the orientation of the organization towards the higher quality of products and services (28.1%), an increase in market value (26.4%), better performance (22.6%) and increased innovation (16.2). Only 1.5% of organizations do not have a distinct orientation of organizational culture.

With respect to the statistical testing of dependencies between the selected qualitative features, it can be summarized that:

- The sector (private, state and public) has no influence on the implementation of the organizational culture and employer branding analysis (p-value = 0.610).
- The sector of economy (primary, secondary and tertiary) has no influence on the implementation of the organizational culture and employer branding analysis (p-value = 0.381).
- The organization's activities on the market have no influence on the implementation of the organizational culture and employer branding analysis.
- The fact whether the organization is a part of a larger organization has influence on the implementation of the organizational culture and employer branding analysis (p-value = 0.050, Cramer's V = 0.097, low dependency).
- The size of the organization has influence on the implementation of the organizational culture and employer branding analysis (p-value = 0.000, Cramer's V = 0.255, low dependency).
- The existence of the HR department has an impact on the implementation of the organizational culture and employer branding analysis (p-value = 0.000, Cramer's V = 0.243, low dependency).
- Sufficient communication between individual organizational units has an impact on the implementation of the organizational culture and employer branding analysis (p-value = 0.000, Cramer's V = 0.455, middle dependency).
- The transition of the organization from one development stage to another one has an impact on the implementation of the organizational culture and employer branding analysis (p-value = 0.000, Cramer's V = 0.497, middle dependency).
- Changes in the organization's market position, its takeover or merger have an impact on the implementation of the organizational culture and employer branding analysis (p-value = 0.000, Cramer's V = 0.368, middle dependency).
- The fact that the character of the present organizational culture has been made old-fashioned by changes in the economic, social and technical environment of the organization has an impact on

the implementation of the organizational culture and employer branding analysis ( $p$ -value = 0.000, Cramer's  $V$  = 0.415, middle dependency).

Taking into account the theoretical bases and the achieved research results, it may be summed up that the organizational culture and employer branding are specific in each of the organizations (Suomi et al., 2006; Aroles et al., 2021; Yang and Zhang, 2021; Stojanovič et al., 2020; Lokaj and Sadrija, 2020; Gierszewski and Pieczywok, 2020) however, based on the performed factor analyses, they can be classified by the purpose of use of the organizational culture and by the causes that led to it. Organizational culture and its setting influence employer branding and strategy of the whole organization and support the achievement of organization's goals, so it is necessary to analyze it consciously and redesign it if possible, in coherence with the results of (Buil et al., 2013; Huang, and Rundle-Thiele, 2014; Kachaňáková and Stachová, 2011). Supporting the organizational culture may help improve efficiency of the HR processes, which belong to the key factors of success of any organization (Yang and Zhang, 2021; Lokaj and Sadrija, 2020). Likewise, as found from the results, organizational culture has a significant impact on effective change management and helps to define employer branding, as also found in research by (Doherty and Norton, 2004; Aroles, 2021; Bratianu, 2008; Cow, 2012). If organizations consciously and purposefully shape their organizational culture and personnel marketing, they can gain significant competitive advantages and benefits in their internal employee management system (Yang and Zhang, 2021; Lokaj and Sadrija, 2020). The research shows that organizations performing the organizational culture analysis emphasize the orientation focusing on customers (higher quality products and services), employees themselves, personnel processes, and, last but not least, on effective communication. Similar results were gained also by (Pakdil and Leonard, 2015; Doherty and Norton, 2004; Csaszar, 2012; Athanassiou et al., 2012; Bratianu, 2008; Cow, 2012; Kijek et al., 2020). It is necessary to bear on mind that a settled, although powerful, organizational culture may also be an obstacle to the development of an organization. This statement is supported also by results of (Jeon et al., 2011; Luring and Selmer, 2011; Shih and Chiang, 2005; Bratianu, 2008; Sinha and Dhall, 2020; Kim and Park, 2020; Janka et al., 2020; Sarwar et al., 2020; Lockhart et al., 2020). Namely in the event if the organizational culture does not change, its analysis is not performed, and once implemented and functioning norms, customs, rituals, etc. are not adjusted to changes, it may negatively affect employer branding.

## Conclusions

Current changes in economy and business based on of intensifying competition, growing employees needs and requirements, larger focus on environmental impact, and, currently due to shift of most of office employees to home offices or hybrid environment due to the need of social distancing and health reasons, entrepreneurs need to improve and develop their approaches toward employees using employer branding. Nowadays, it is possible to observe transfer of ownership rights from owner to employees. This shows importance of organizational culture and employer branding as more responsible approaches.

Organizational culture and employer branding are closely intertwined and these concepts are increasingly used nowadays. However, their classification and possible use have not been clearly identified yet. This article and its results bring insight into the use of organizational strategies and an organizational culture strategy, their interconnectedness, interdependence and impact on personnel marketing and employer branding. In addition, three major areas of use of organizational changes with impact on change of organizational culture and employer branding have been identified in the article. These are re-setting of personnel processes depending on the change of organization's size, re-setting of an organizational culture depending on the decline in labor productivity and on major organizational changes, such as mergers, acquisitions, changes in the scope of business and changes in a market position. All of these areas are crucial for setting the strategy of organizational culture and employer branding.

The results have shown that setting of organizational culture influences employer branding and effective setting of HR processes as well as the ability of organization's proactive behavior. In case of changes in the internal and external environment it is therefore necessary to redesign an organizational culture. In the event of a change in the organizational culture of the respondents, most often such a change was caused by the need for the change in the area of organizational structure and work processes and also the change in the status and size of the organization.

The findings confirm that organizational identification of a suitable type of organizational culture leads towards successful employer branding identification and work engagement. Moreover, brand identification and brand communication directly raise positive perception of organizational culture.

It can also be concluded that the formulation of organizational culture strategy depends on the size

of an organization (larger organizations have a statistically significantly more often formulated organizational culture strategy), and the impact of organizational changes on the formulation of organizational culture strategy have been confirmed by multiple several analyses. The formulation of organizational culture strategy and its communication greatly facilitate change management and control, including positive perception by employees and of employer branding.

The paper has a limited focus only on organizations operating in the Czech Republic. On the other hand, results suggest that orientation on employee engagement is a better predictor of (positive) organizational culture than productivity rise. Furthermore, the results explain supportive roles of organizational culture towards customers and employees. Practical benefits of this paper consist in the formulation of the recommendations, which will contribute to a better set-up of the organizational culture and its influence on employer branding. The authors' future research will further focus on the influence of the organizational culture on the loyalty and level of motivation and commitment of employees in post-COVID-19 situation.

As Czech Republic is part of European Union and has similar characteristics as other countries within the Central Eastern European region, the results may be applicable in other countries similar to Czech Republic, as those Danubian countries are dealing with the same issues and are on the same level of development

The topic of this paper is currently highly relevant due to the necessary and expected changes in companies' environment after COVID-19 and social distancing, different way of work and raise of home offices impacting teams. The results are representative and presented as a case study, and these findings may help other researches in an increasingly discussed area, especially due to the economic impacts of COVID-19 on businesses and employees. Furthermore, this study is bringing important insight into Central Eastern European area as there are lack of studies focusing on these economies.

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