Corporate Sustainability in the Process of Employee Recruitment through Social Networks in Conditions of Slovak Small and Medium Enterprises

Milota Vetráková 1, Miloš Hitka 2, Marek Potkány 2, Silvia Lorincová 2,* and Lukáš Smerek 1

1 Faculty of Economics, Matej Bel University in Banská Bystrica, Tajovského 10, Banská Bystrica 97590, Slovakia; milota.vetrakova@umb.sk (M.V.); lukas.smerek@umb.sk (L.S.)

2 Faculty of Wood Sciences and Technology, Technical University in Zvolen, T. G. Masaryka 24, Zvolen 96053, Slovakia; hitka@tuzvo.sk (M.H.); potkany@tuzvo.sk (M.P.)

* Correspondence: silvia.lorincova@tuzvo.sk; Tel.: +421-45-520-6042

Received: 26 April 2018; Accepted: 18 May 2018; Published: 21 May 2018

Abstract: Recruitment strategy and policy are significantly affected by both the internal conditions of the enterprise and the external environment. It is important to anticipate and react to changes in the labor market in a timely manner, to eliminate potential threats and take advantage of opportunities to continuous staffing of current and future needs of the enterprise. The role of managers in deciding on possible techniques for recruiting employees is to respect the principles of sustainability both economically and socially. Due to the use of information technology, this trend is easier to apply in practice, as enterprises can present themselves and get information about potential job seekers. The success of the recruitment process is increasing if public awareness about the employer is positive. Designing the survey methodology was based on the axiom that traditional ways of recruiting employees are being replaced by techniques using the Internet and social networks. The aim of the paper is to present the views of domestic and foreign experts on the recruitment of employees using social networks. We compare the theoretical knowledge with the results of social networking research in SMEs in Slovakia and especially their use in the process of recruiting employees. A total of 324 enterprises with domestic and foreign capital share participated in the sociological questionnaire. The results have shown that enterprises with foreign capital share are more progressive in using the Internet to offer jobs and in gaining information on jobseekers through social networks.

Keywords: social networking; small and medium-sized enterprises; recruitment; employer branding; corporate sustainability

1. Introduction

One of the core managerial responsibilities is to fill vacant or newly created jobs with suitable employees. Similar to [1–3], we support the systemic human resources management. A strategic approach to the effective sustainability of the recruitment process requires the planning of human resources needs, job analysis reflected in job descriptions, and job specifications [4]. An important part of the enterprise’s strategy is employer branding—strong branding and employer value proposition for potential and current employees [5,6]. Enterprises that have developed their brand by providing a popular product are better placed to get quality workforce and talented people [7]. Chhabra and Sharma [8] identified common organizational attributes which were compensation, career prospects and growth, job profile, brand name, corporate culture, employee empowerment, training and development, supportive and encouraging colleagues, innovative employer/novel work practices, humanitarian organization gives back to society, job security, recognition/appreciation, having a good relationship with supervisor, the organization is customer oriented, and acceptance and belonging.
Several different concepts created by Berthon et al. [9], which emphasize employers’ attractiveness as the envisioned benefits that a potential employee sees in working for a specific organization, are image and branch equity. While the result of employer branding is to attract and retain high-quality and talented employees, the role of Human Resource Recruitment and Marketing is to occupy a specific job with a suitable job seeker.

Recruitment strategy and policy are significantly affected by both the internal and external environment [10]. The recruitment process consists of three consecutive phases, starting with searching, continuing by addressing the right people, and ending with the selection of potential employees. The advantage of internal searching is the acquaintance of employees, support for flexibility and internal mobility reflected in career development, stabilization, and improvement of work ethics [11]. From an economic point of view, the cost of getting an employee to another job is lower; employees are familiar with the corporate culture and business goals. The disadvantage is a certain routine in the implementation of the established activities and lower openness to new approaches from the external labor market. The reason for looking for employees from external sources is the need to fill a job, but also the need to change the professional or age structure of employees with new competencies, thoughts, and ideas.

The aim of the second phase is to find the best job seekers and to form a workforce that matches the present and future needs of the enterprise. Identifying the most appropriate person to perform a job is a big dilemma, the core of which is to find a way to reduce errors in the prediction of a suitable candidate. Over the last decades, psychologists focus on reducing predictive errors by developing standardized recruitment procedures using a combination of multiple methods [12]. The new ways include e-recruitment, which utilizes available computer network services, especially web sites and e-mail [13]. In addition to the above-mentioned electronic recruitment procedures, the Internet offers employers additional options for communicating with potential job seekers, such as creating and developing social networks (Facebook, LinkedIn, Myspace, and Google+), and virtual communities of users with common interests. Social networks enable job seekers to publish their professional and personal profiles and give employers the opportunity to reach out to suitable job candidates in their enterprise.

The third phase of recruitment process is linked to selection and hiring. The effectiveness has to be considered while choosing the selection techniques, which is assessed using three criteria: Reliability, validity, and usefulness [14]. Reliability means that the selected person (if the working conditions are not completely changed) performs the same work repeatedly or his/her behavior is completely or approximately the same even after a few months. Validity is the rate of prediction of successful work based on selection [15]. Usefulness refers to the suitability of the selection technique used in relation to the nature of the work and the type of an occupied job. In assessing the employee recruitment process, Wilton [16] recommends examining the costs of administrative work, job offerings, organizing the selection process, and the costs of employee fluctuation due to the selection of the wrong person. Dvoráková [17] highlight the need to reallocate costs to one applicant, demonstrating the usefulness, validity, and reliability of the selection.

The recruiting of suitable employees is linked to the realization of activities that are financially demanding for the enterprise. An error in the recruitment process can lead to the early departure or dismissal of a probationary employee, which costs the employer half to two-thirds of his annual salary. The amount does not include the costs of subsequent search and integration of another potential employee, resulting in a total cost of at least 1.5 times the annual wage [18]. One of the ways to economically utilize enterprise resources when recruiting employees is by using social networks.

The variety of different types of social networks also allows a wide range of use. In this paper, we refer to key aspects of the recruitment process that can affect managers’ access to effective staffing in the enterprise. The aim of the paper is to present the current state and the possibilities of using social networks in the process of recruiting employees in SMEs, which is based on a long-term sustainable strategy eliminating traditional attitudes and the demanding administrative procedures used in this
field. We verify the assumption that social networks are becoming an important tool for labor market orientation and an instrument of public opinion for enterprises. Using a sociological questionnaire, we examine the reasons for using social networks in SMEs, with emphasis on the recruitment process.

1.1. Social Networking

The original term “social network” has not been linked to Internet social networks. It has expressed a group of people who associate due to a particular social interaction [19]. Using a set of technologies, so called social media, the interconnection between individuals and groups in the virtual space through a joint communication platform has been established [20,21]. Social media, according to Li and Bernoff [22], allow people to exchange ideas and opinions, to jointly download site content, and to build contacts online. There are differences in comparison to classical media, as each user creates their content and can also contribute or comment on it. Social media have a variety of forms, such as text, audio, video, photo, and other image forms, that connect communities and reach out to people who want to join. Social media include social networks, such as Facebook, Twitter, and others, as well as WordPress management systems, products created by joint efforts, such as Wikipedia, blogs, chat rooms, photo sharing sites, videos, and more. Social media is an infrastructure that creates contacts and transfers information [23]. Kaplan and Haenlein [24] differentiate between six types of social media: Collaborative projects, blogs and microblogs, content communities, social networking sites, virtual game worlds, and virtual social worlds.

Each type of social media has its own users with mutual relationships among them. Social networks are groups of people, communities that have shared similar interest or views. By Zimmerman and Ng [25], social networks are generally user-friendly. In common practice, social networks consist of profiles that are created and completed by users themselves. Users can view information from friends, acquaintances, and enterprises, read and comment on posts, and upload content, either their own or downloaded from other sources [26]. Social networks are also used by enterprises to present themselves on the Internet. They are based on establishing relationships between self-acting users who create networks and spread information to each other. These relationships increase the credibility of the information, as users know their source and believe the content is true. We can conclude from the above that two types of relationships arise on social networks: Mutual relations between users and user-brand relations. It is important for enterprises to build a user-brand relationship. Social networks are thus becoming an important tool for influencing the public, both on product offers and on tracking and influencing attitudes towards the brand itself. The enterprise’s brand can affect the decisions of jobseekers positively or negatively.

An important part of social media is the social environment that forms a range of acquaintances, cities, and interests that characterize how and why people connect through social networks. The concept of the social environment was popularized by Facebook founder Mark Zuckerberg in 2007 to explain the reasons for his company’s growth.

Every social networking or content sharing site offers communities assisting users “help” in personal and/or business use. A useful framework is the Honeycomb of Social Media adapted by [27]. The honeycomb framework consists of the following seven blocks: Conversations, identity, sharing, presence, relationships, reputation, and groups. The differences in individual blocks are reflected in several types of social networks that differ from one another in their focus, level of privacy, or popularity. In particular, they are information, education, professional, or community networks. Each of the social networks offers different options and functionality [28].

White [29] divides social networks according to their content: Social, multimedia, professional, informational, educational, and interest networks. The primary purpose of professional networks is to offer opportunities for career development, and to get suitable jobseekers. Employers have the opportunity to look at profiles of potential employees, their previous experience and qualifications, and offer them a job if they are interested. When creating business profiles on social networks, according to Scott [30], the following recommendations need to be respected:
- Reach a particular audience in a way that interests them, i.e., to use the language of the target group;
- Be a think-and-guide and offer interesting and valuable information that people are looking for, show what the enterprise is good at, how to solve employee and customer problems, and not only promote the products;
- Be transparent and authentic, not to impersonate someone else and avoid unfair practices;
- Encourage people to get in touch with the enterprise, do everything to make it easy to find a corporate website, to reserve enough time to answer questions;
- Participate, create groups and regularly join Internet debates;
- Experiment, try new things, bring a variety of ways to establish contact and create interest.

Social networks, considering their growing trend, help enterprises to become visible to consumers as well as potential employees. Interest in social networks and content sharing are increasing between individual users and enterprises alike. This trend is confirmed by the study of Mikalef and Pateli [31], which builds on the technology-organization-environment (TOE) framework. Their results (conclusions) show the openness of large corporations and enterprises with a broad external knowledge transfer scope to adopt social media as part of their open innovation strategy. Social media adoption for open innovation is determined by a factor related to the company’s organizational and environmental context. The users of information posted on social networks are individuals or groups of different age categories. Pateli and Mikalef [32], in their study, also state that social media have managed to radically change the way in which people interact, and thus have outpaced the adoption of several previous communication innovations, such as mobile phones, Internet, and television. Facing the dramatic increase of social media use, businesses are beginning to explore how these tools can help them grow and improve profits, not just with common practices such as marketing, but as part of their business collaboration and open innovation practices.

In Slovakia, social networking is no longer an issue of only the younger generation. This results from a survey by Gfk [33], conducted in 2016 on a sample of 1199 respondents over the age of 15 (Figure 1).

![Figure 1. The use of social networks. Source: [31].](image-url)

Among young people, 89% of generation Z (born after 1995) use social networks every day, 67% of generation Y (born 1966–1979), and 53% of the generation X (born before 1979) use social networks
every day. There are differences in user involvement in social networks. While generation Z uses, on average, 5.2 different networks, generation X uses an average of 2.8 different networks.

1.2. Types of Social Networks

When creating content on social networks, it is necessary to respect the principles of user’s behavior, be creative, stay on top of things, and be self-critical, in other words, the attributes that attract attention [34]. This statement led us to the need to explore the focus on social networks and their users from the point of view of corporate sustainability. The corporate sustainability concept should respect the economic, environmental, and social line [35]. An enterprises’ main communication tool with the public is its website and presence on social networks. Enterprises should not only depend on their own benefit by acquiring reliable and efficient employees, but should also monitor the interests of customers, job seekers and employees, develop ethically correct relationships with them, present true website data, and create proper working conditions and social security in the workplace to develop resources for future generations.

The MySpace Social Network has been on the market since 2003, allowing its users to create a one-page yet comprehensive presentation. The presentation may contain graphic, text, or multimedia elements. Users can communicate with each other, but the “who to whom belongs” principle is applied. In some countries, MySpace is a popular service. In our territory, it is mainly used for the presentation of cultural events, musical groups, theater ensembles, etc. [36,37].

LinkedIn primarily connects a professional community. Upon its launch in 2003, the data from business networks of more than 40 million users were collected and LinkedIn became the largest and the most important business social network. It connects people from diverse spheres, from consultants, through to HR managers, to people in the IT sector [38]. The aim is mainly to establish business relationships, to find employment, or to recruit employees. The advantage of the network is that each member can set up and manage groups that associate similarly professional or opinion-oriented people. This network is particularly interesting for individuals, associations, or communities looking for the right contacts [23].

Twitter, despite media support by engaging celebrities compared to MySpace and Facebook, has more limited opportunities [39]. Users, so-called tweets, can send and read text messages with a maximum of 140 characters, which are displayed on the user’s page. They are usually publicly visible, but the privacy of these messages can be changed using special settings. Twitter offers the user to set his/her own background or design his/her profile [40]. Users can share photos and web links with others with abridged URLs. The popularity of Twitter, despite the simplicity of the infrastructure, is increasing and other social networks are learning its functionality.

Facebook, the world’s most used social network, dates back to 2004. Originally, membership was only allowed to Harvard University students. Facebook was released to the public in September 2006 [41,42]. Facebook differs from many other networks by the level of customization, many types of communication, and interaction. Since 2008, Facebook is the leading social networking site, based on monthly unique visitors, having overtaken the main competitor, MySpace. One of the popular interactions is to join groups of colleagues, classmates, or people with the same interests.

Google+ [43] is a social network operated by Google since June 2011, with integration through Google products, including Buzz. One of the key elements of Google+ is to focus on targeting the user’s profiles by creating social groups called “circles” [44]. Circles are small groups of people that can be named by the relations, such as a circle of friends, a family circle, classmates, and co-workers. Even within Google+, Google has created a special chapter for viewing, managing, and editing multimedia. Any content can be shared, from internet links to photos, and this social network also offers its own photo editor. The editor allows users to edit the photo directly on the social network.

Skype [45] is a free program, available anywhere in the world. By simple installation and registration, the user has all the features available. Skype is very popular, especially among young people, but it is also used by enterprises to communicate with their distant employees or simply
to make conference calls with business partners. For a small fee, the user gets additional features. For example, calling to mobile phones, accessing WiFi, or sending SMS. It is possible to pay for services either continuously or in advance. Skype accounts can be linked to accounts of other social networks. Skype now supports activities in 38 world languages.

YouTube [46] is an online database, mostly of short videos. It was created in 2005 and was acquired by Google in 2006. It is currently the largest network to share video files on the Internet. Users create profiles for uploading videos on YouTube, creating their own channels, or marking individual videos as favorites. Profiles are linked to Google login. YouTube is used by enterprises to promote their activities through video.

1.3. Corporate Sustainability in SMEs

SMEs play a very important economic and social role, both through their importance in the economy and in job creation, a role which is greatly appreciated in these times of ever-increasing globalization. The European Commission defines SMEs as businesses which employ less than 250 staff and have an annual turnover of less than 50 million EUR, and/or their balance sheet total is less than 43 million EUR. Staff headcount is the main factor determining whether an enterprise is a SME. Further factors determining whether an enterprise is a SME are turnover and balance sheet total. The data to apply to the headcount of staff and the financial amounts are those relating to the latest approved accounting period, and are calculated on an annual basis. They are taken into account from the date of closure of the accounts. The amount selected for the turnover is calculated, excluding value added tax and other indirect taxes. However, it would not be desirable to use turnover as the sole financial criterion, in particular because enterprises in the trade and distribution sector have, by their nature, higher turnover figures than those in the manufacturing sector.

According to data from the Slovak Business Agency for the year 2016, SMEs in the Slovak Republic represent as much as 99.9% of the total number of entrepreneurial subjects, provide job opportunities for nearly 75% of the active workforce, and contribute to gross production and creation of added value by more than 50%. Additionally, they are a source for new innovations and technologies, create a competitive environment, enhance economic growth, and at the same time produce and offer products or services that large corporations are not willing to provide [47].

Employees are one of the sources of the strategic competitive advantage; therefore, the opportunities for their career growth can be beneficial for the staff quality in key positions, mainly in SMEs. Getting and stabilizing capable and efficient employees in an enterprise is the duty of managers. Each of the HRM processes needs to be carried out in line with Sustainability Characteristics. The Brundtland Commission [48] defined sustainable development as development which meets the needs of the present without compromising the ability of future generations to meet their own needs. Since then, the term corporate sustainability has emerged and been defined many times.

Sustainability should go beyond social and environmental responsibility, and should include all management processes that aim at creating long-term well-being [49]. According to Marrewijk [50], corporate sustainability focuses on value creation, environmental management, environmental friendly production systems, human capital management, and so forth. Corporate sustainability requires managers to measure and supervise this internal development, as well as to engage in a dialogue with external stakeholders on sustainable development issues [51]. Sustainability does not mean that an enterprise adopts a one-size-fits-all approach [52]. Thus, SMEs owner–managers are challenged to choose and implement a set of tools that help them operationalize corporate sustainability relevant to their particular business and surroundings [53].

The recruitment process and its sustainability are influenced by external factors, but primarily by decisions of managers covering all HRM processes, corporate culture, and workplace climate. Managers adopt guidelines about which sustainability management tools may be adequate for the enterprise. If there is no interest in a job in a particular enterprise or in a job offer, there is a need to analyze the internal conditions and compare the average wage, employee benefits, work regime,
and other work conditions with competitors. It is not enough to have an overview of jobs with the highest fluctuations, it is important to examine the level of employee satisfaction and the reasons for leaving, to know their expectations when entering and fulfilling or failing. The adopted criteria and guidelines included in the sustainability strategy oblige managers to address sustainability issues [54]. However, Parisi and Maraghini [55] advise that any sustainability-oriented strategies should reflect the level of informality and flexibility of the enterprise’s size and structure.

From an economic point of view, managers have to consider if either accepting staff with the required qualifications or training inadequately qualified staff for the job is more advantageous. The interest of each employer is to know the reasons for the failure of the recruitment process. One of them may be that there is a shortage of qualified and suitable staff on the labor market to offered job positions. In order to occupy a job, a candidate who does not meet the required criteria and has no potential to obtain it during the adaptation period [56] is accepted. Prior to making such a decision, it is more appropriate to conduct a social network survey, explore work portals, use contacts at secondary or higher education institutions, thoroughly study candidate profiles, check their quality in advance, and verify whether other enterprises have similar problems and cannot fill job vacancies with competent employees.

There are similar studies in this area. The authors Montuschi et al. [57] present the survey of current job search and recruitment tools focused on applying a computer-based approach to job matchmaking. The study of Pramod and Bharathi [58] aims at collecting the industry practices and the factors influencing the adoption of social media in recruitment process. Bohnert and Ross [59] investigated how the content of social networking Web site pages influenced others’ evaluation of job candidates. The research of Al Shehi et al. [60] evaluates the effects of social networks on the recruitment of professional staff to Ras Al Khaimah’s government and private sector within the United Arab Emirates. The objective of Böhmová and Malinová [61] is to find out how data presented publicly in Facebook profiles can influence the recruitment process and the decision about hiring new employees. Rajeswari [62] tested the popularity and effectiveness of the social media sites on one hand and also finding out the reliability and trustworthiness of these websites on the other side in recruitment process. The findings indicate that the quality of social networking sites does attract high number of job applicants through social media networks, thereby resulting in benefits to both employers and employees.

Our survey about the use of social networks for recruitment in comparison with traditional techniques in SMEs is unique and based on the evaluation of Slovak SMEs with domestic and foreign capital participation. The results are evaluated from a database of available information through beta regression analysis. Beta regression analysis is applied within the framework of the use of individual types of social networks for recruiting employees, depending on the company’s capital structure. The uniqueness is also in the visual and numerical clarity of the presented results.

2. Materials and Methods

Social networks such as MySpace, LinkedIn, Twitter, Facebook, Google+, and Skype are the objects of the examination. Their inclusion into the survey was influenced by the possibility of using them in the process of recruiting employees. We conducted a questionnaire survey to determine the current state and potential of social networking in the examined issue. The basis for the questionnaire was the methodical instructions and their use in existing contributions [63–66]. The Google docs tool was used. The structure of the questionnaire was divided into two parts. The first part was focused on questions about the nature of social networks. We were interested in finding out what social networks managers of SMEs use in terms of their functionality and time. The second part focused on the use of social networks in finding candidates for job vacancies. We were interested in opinions about the social networks credibility in terms of information support, their benefits, and potential for future use. The questions were designed in a way that each respondent had the opportunity to choose one or more of the options provided, but also the possibility of completing their own answers. The questionnaire
was drawn up in Slovak and English languages and was distributed online. The personalists of SMEs operating in Slovakia with domestic and foreign capital participation were addressed. The survey sample consisted of 324 Slovak enterprises in total, of which 274 were supported only with domestic capital and 50 with foreign capital.

We used beta regression analysis to test whether the intensity of the use of social networks depends on type of network and type of capital (domestic or foreign). Beta regression is commonly used to model variables that assume values in the standard unit interval (0, 1) [67]. It is based on the assumption that the dependent variable is beta-distributed and that its mean is related to a set of repressors through a linear predictor with unknown coefficients and a link function. To appropriately use this analysis, we calculated proportions of respondents in each category (network \( \times \) capital).

Post-hoc comparison between the pairs of the factors was done using Pearson's Chi-squared test. Using the Pearson Chi-square test of association, in Statistics 12.0 software (Dell, Oklahoma City, OK, USA), we tested a null hypothesis stating that the frequency distribution of certain events observed in a sample is consistent with a particular theoretical distribution. The level of significance was set at 5%. If the \( p \)-value falls below the chosen significance level \( (p < 0.05) \), we reject the null hypothesis and accept an alternative hypothesis. This general statement is applied for the established working hypotheses. If the null hypothesis is rejected, the difference between real and expected abilities is so large that it cannot be random, i.e., there is dependence between the nominal variables. We verified dependency resp. independency of the nominal variables by calculating of the Chi-square \( (\chi^2) \) in the form of:

\[
\chi^2 = \sum_{i=1}^{k} \frac{(n_i - E_i)^2}{E_i}
\]

where: \( E_i = Np_i \) = the expected (theoretical) count of type \( i \), asserted by the null hypothesis that the fraction of type \( i \) in the population is \( p_i \), \( n_i \) = the actual observed number of intervals, \( k \) = intervals (number of rows and columns), \( n \) = range of the sample file, and \( p_i \) = probability of interval of random variable values.

The results obtained are presented through absolute and relative abilities frequencies, the Chi-square \( (\chi^2) \), the degrees of freedom \( (v) \), and the \( p \)-values \( (p) \).

Based on the objective of the contribution, we formulated the starting hypothesis \( H_0 \), in which we assume that social networks are an important tool for recruiting employees in SMEs. From the initial hypothesis, four partial hypotheses have emerged:

- \( H_1 \): we assume that the level of use of social networking as a recruitment tool is the same in enterprises with both domestic and foreign capital participation;
- \( H_2 \): we assume that enterprises with domestic capital participation use different ways of offering employment through social networks than the ones with foreign capital participation;
- \( H_3 \): we assume that the level of credibility of social networks, such as information support for jobseeker evaluation, is different in enterprises with domestic and foreign capital participation;
- \( H_4 \): we assume that the level of perception of social networking potential as a recruitment tool is equal in enterprises with domestic and foreign capital participation.

3. Empirical Results

3.1. Types of Social Networks Used in Recruiting Process

The question was asked to find the use of particular types of social networks in small and medium enterprises in Slovakia with domestic and foreign capital participation for the purpose of recruiting employees.

We state (Tables 1 and 2) that the type of social network and the type of capital (Chi-square = 25.738, \( p \)-value \( \leq 0.001 \)) are decisive factors in the use of social networks. Based on these findings, we confirm the \( H_1 \) hypothesis.
Table 1. Using social networks with beta regression in R.

<table>
<thead>
<tr>
<th>Estimate</th>
<th>Std. Error</th>
<th>z Value</th>
<th>p-Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>2.94834</td>
<td>0.02150</td>
<td>137.12</td>
</tr>
<tr>
<td>Google+</td>
<td>-3.35111</td>
<td>0.02347</td>
<td>-142.78</td>
</tr>
<tr>
<td>LinkedIn</td>
<td>-5.92578</td>
<td>0.02911</td>
<td>-203.57</td>
</tr>
<tr>
<td>MySpace</td>
<td>-7.45201</td>
<td>0.04221</td>
<td>-176.56</td>
</tr>
<tr>
<td>Twitter</td>
<td>-5.28274</td>
<td>0.02641</td>
<td>-200.00</td>
</tr>
<tr>
<td>Foreign</td>
<td>1.01679</td>
<td>0.01759</td>
<td>57.82</td>
</tr>
</tbody>
</table>

Source: Authors’ compilation.

Table 2. Dependency between network type and type of capital.

<table>
<thead>
<tr>
<th>Estimate</th>
<th>Std. Error</th>
<th>z Value</th>
<th>p-Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>phi</td>
<td>147.143</td>
<td>5.227</td>
<td>28.15</td>
</tr>
</tbody>
</table>

Source: Authors’ compilation.

The Phi coefficient indicates the degree of association between the factor (social network and type of capital) and the dependent variable (share of respondents). If this coefficient is statistically significant ($p < 0.05$), there is a significant relationship between factors and the dependent variable at 95% confidence level.

Graphical representation (Figure 2) clearly shows the importance and preference of studied networks. At the same time, it points out that there are larger differences in network use in enterprises with domestic capital.

![Figure 2](image-url)

Figure 2. The importance of social networks in terms of the type of capital and network type.

Subsequently, using the Chi-squared test, the analyzed networks were tested separately. Interestingly, we found out that virtually all types of analyzed social networks are being used in the process of employee recruitment, and virtual space is becoming a regular part of the public offerings of Slovak enterprises. Based on the numbers shown in Table 3, we see that Facebook’s social networking and its use in the recruitment process are comparable across enterprises, and the difference is not significant. Google+ and MySpace are more used in enterprises with foreign capital participation than in enterprises with domestic capital, and the difference in their use is significant. There are also differences in the use of the Twitter and LinkedIn social networks, but not as significant as the previous two types. If we compare the use of social networks by enterprises with domestic capital, the level of utilization is 29.92%, while in enterprises with foreign capital participation this is 38.8%.
### 3.2. Way of Using Social Networks in Publishing Job Offers

The respondents were asked the question about the way they use social networks when publishing job offers. There were the following options to choose from: Enterprise fun pages on different types of social networks, the use of banner ads, special applications, on the corporate web page, or personal profiles of HR managers.

Using the ANOVA statistical test, it is possible to conclude from the research results (Table 4) that there is a significant difference in using a fan page in favor of enterprises with domestic capital participation. There is a different situation regarding using banners. A significant difference was observed in the non-use of banner ads in companies with domestic capital share.

### Table 3. Use of social networks for recruiting employees.

<table>
<thead>
<tr>
<th>Social Network</th>
<th>Capital Participation</th>
<th>No</th>
<th>Yes</th>
<th>Total</th>
<th>χ²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>domestic</td>
<td>12</td>
<td>262</td>
<td>274</td>
<td>0.015</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>4.38%</td>
<td>95.62%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>foreign</td>
<td>2</td>
<td>48</td>
<td>50</td>
<td>p</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>4.00%</td>
<td>96.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>14</td>
<td>310</td>
<td>324</td>
<td>0.903</td>
</tr>
<tr>
<td>Twitter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>domestic</td>
<td>249</td>
<td>25</td>
<td>274</td>
<td>3.547</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>90.88%</td>
<td>9.12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>foreign</td>
<td>41</td>
<td>9</td>
<td>50</td>
<td>p</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>82.00%</td>
<td>18.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>290</td>
<td>34</td>
<td>324</td>
<td>0.060</td>
</tr>
<tr>
<td>LinkedIn</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>domestic</td>
<td>259</td>
<td>15</td>
<td>274</td>
<td>0.489</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>94.53%</td>
<td>5.47%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>foreign</td>
<td>46</td>
<td>4</td>
<td>50</td>
<td>p</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>92.00%</td>
<td>8.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>305</td>
<td>19</td>
<td>324</td>
<td>0.485</td>
</tr>
<tr>
<td>Google+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>domestic</td>
<td>167</td>
<td>107</td>
<td>274</td>
<td>16.451</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>60.95%</td>
<td>39.05%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>foreign</td>
<td>15</td>
<td>35</td>
<td>50</td>
<td>p</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>30.00%</td>
<td>70.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>182</td>
<td>142</td>
<td>324</td>
<td>0.000</td>
</tr>
<tr>
<td>MySpace</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>domestic</td>
<td>273</td>
<td>1</td>
<td>274</td>
<td>27.08</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>99.64%</td>
<td>0.36%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>foreign</td>
<td>44</td>
<td>6</td>
<td>50</td>
<td>p</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>88.00%</td>
<td>12.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>317</td>
<td>7</td>
<td>324</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: Authors’ compilation.

### Table 4. Way of using social networks in publishing job offers.

<table>
<thead>
<tr>
<th>Using Fan Page</th>
<th>Capital Participation</th>
<th>No</th>
<th>Yes</th>
<th>Total</th>
<th>χ²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>domestic</td>
<td>29</td>
<td>245</td>
<td>274</td>
<td>3.708</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>10.58%</td>
<td>89.42%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>foreign</td>
<td>1</td>
<td>49</td>
<td>50</td>
<td>p</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>2.00%</td>
<td>98.00%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>total</td>
<td>30</td>
<td>294</td>
<td>324</td>
<td>0.014</td>
</tr>
</tbody>
</table>
There is greater use in enterprises with foreign capital participation regarding special applications, business websites search, and HR managers’ profile search. However, these differences cannot be considered significant. Based on the results we can accept the hypothesis $H_2$.

### 3.3. Credibility of Social Networks in Evaluation of Jobseekers

The issue of assessing the level of credibility of social networks as information support for the evaluation of the job seekers has been the subject of questioning. Using the Likert’s rating scale, respondents had four choices. The highest level of credibility was associated with value of 4, less trusted with a numerical value of 3, untrustworthy with a value of 2, and cannot answer with an assigned value of 1.

Subsequently, the abundance of the evaluation criteria was established. By comparison, it can be concluded that the difference in the credibility of social networks in small and medium enterprises with domestic and foreign capital participation is significant ($p = 0.005$). Enterprises with foreign capital expressed that social networks as an information support tool for evaluating job seekers are believed to be credible, less credible, or unable to comment. On the other hand, respondents from enterprises with domestic capital structure were less likely to comment on the issue or consider social networks to be less reliable (Table 5). The $H_3$ hypothesis is accepted.
Table 5. Credibility of social networks in evaluation of jobseekers.

<table>
<thead>
<tr>
<th>Capital Participation</th>
<th>Credible</th>
<th>Less Credible</th>
<th>Untrustworthy</th>
<th>Cannot Answer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>N domestic</td>
<td>29</td>
<td>115</td>
<td>25</td>
<td>105</td>
<td>274</td>
</tr>
<tr>
<td>%</td>
<td>10.58%</td>
<td>41.97%</td>
<td>9.12%</td>
<td>38.32%</td>
<td></td>
</tr>
<tr>
<td>N foreign</td>
<td>6</td>
<td>13</td>
<td>0</td>
<td>31</td>
<td>50</td>
</tr>
<tr>
<td>%</td>
<td>12.00%</td>
<td>26.00%</td>
<td>0.00%</td>
<td>62.00%</td>
<td></td>
</tr>
<tr>
<td>N total</td>
<td>35</td>
<td>128</td>
<td>25</td>
<td>136</td>
<td>324</td>
</tr>
<tr>
<td>χ²</td>
<td>13.019</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors’ compilation.

3.4. Potential of Perceptions of Social Networks in Recruiting Employees

The potential of perceiving social networking points to the awareness of the importance of getting people to work faster and more economically. Respondents had the option to assign criteria weights (yes—3, no—2, I cannot answer—1). Consequently, the number of individual responses was determined and on that basis it can be stated that Slovak enterprises, both with domestic and foreign capital participation, have the same opinion on the potential of using social networks in the process of recruiting (Table 6). The hypothesis $H_4$ has been accepted.

Table 6. Potential of perceptions of social networking in recruiting employees.

<table>
<thead>
<tr>
<th>Capital Participation</th>
<th>Yes</th>
<th>No</th>
<th>Cannot Answer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>N domestic</td>
<td>157</td>
<td>42</td>
<td>75</td>
<td>274</td>
</tr>
<tr>
<td>%</td>
<td>57.30%</td>
<td>15.33%</td>
<td>27.37%</td>
<td></td>
</tr>
<tr>
<td>N foreign</td>
<td>37</td>
<td>2</td>
<td>11</td>
<td>50</td>
</tr>
<tr>
<td>%</td>
<td>74.00%</td>
<td>4.00%</td>
<td>22.00%</td>
<td></td>
</tr>
<tr>
<td>N total</td>
<td>194</td>
<td>44</td>
<td>86</td>
<td>324</td>
</tr>
<tr>
<td>χ²</td>
<td>6.425</td>
<td></td>
<td></td>
<td>0.160</td>
</tr>
</tbody>
</table>

Source: Authors’ compilation.

4. Discussion and Conclusions

In the paper, the current state and possibilities of using social networks in the process of recruiting employees in the environment of Slovak SMEs with domestic and foreign capital participation was presented. This process is based on a long-term sustainable strategy that eliminates traditional attitudes and demanding administrative practices in the area [68–73]. Still, it can be said that the recruitment process is conducted in many enterprises in traditional ways—through intermediary personnel agencies, through the use of print media, or labor offices [74–77]. These are tedious and relatively less flexible tools that are combined or even replaced in advanced economies with the use of social networks [78–81]. A survey focused on the use of social media for recruitment in SMEs in confrontation with traditional techniques was not yet implemented in Slovakia. The survey results revealed that virtually all types of analyzed social networks are used in the recruitment process. Virtual space is thus becoming a common part in releasing job offers of Slovak enterprises. The level of social networking as an employee recruitment tool is different in SMEs with domestic and foreign capital participation. Enterprises with foreign capital and know-how mainly use social networks such as MySpace and Google+, and the difference compared to enterprises with domestic capital is significant. Capital participation of SMEs is not reflected in the different uses of Twitter, LinkedIn, and the most widespread social network, Facebook. We attribute these findings to foreign know-how and the growing trend of using social networking tools abroad. The benefits of involving social media in employee recruitment primarily include their availability, attractiveness, addressing the target group, rapid exchange of information, and especially time and cost savings in finding new employees. Despite the growth in social networking and their indisputable benefits in the recruitment process, we are of the opinion that traditional techniques such as headhunting, lobbing, middle and high
school contacts, open-door days, personal leasing, or search from internal sources of the enterprise are still justified.

The popularity of social networks in Slovakia is dominated by Facebook and YouTube. In terms of predicted trends in user behavior, it is expected that live video will be more preferred than read text messages, and this trend should be adapted by enterprises and revitalize their websites with interesting videos that can attract potential employees. The popularity of ephemeral content, spread especially among the Z-generation that is entering the workflow, is about to bring changes in the use of social networks in favor of Instagram, Snapchat, but also in search of enterprises that are social media friendly.

Along with the increasing opportunities that communications technology presents, there came a shift in trust. Edelman Trust Barometer 2018 [82] reveals a world of seemingly stagnant distrust. Globally, nearly 7 out of 10 respondents among the general population worry about fake news or false information being used as a weapon, and 59 percent say that it is getting harder to tell if a piece of news was produced by a respected media organization. Media has become the least-trusted institution for the first time in Trust Barometer history—yet at the same time, the credibility of journalists rose substantially. Due to controversial mistakes, personal data leakage, or the display of ads with inappropriate content, social networks are forced to take a number of practical measures to regain user’s trust. The European Union has also responded to the data leak with the new Privacy Regulation [83].

Despite the decline in trust in the social media, the trend of social networking continues. It is also documented by a survey conducted in the increasing number of job vacancies and recruitment applications. Respondents expressed the view of high potential of social networking in the future.

A similar survey conducted in the United States and Europe [84] focused on interviews with eight experts in the recruitment process and an experiment with 218 students. The result of the survey was that job seekers trusted information on the enterprises’ websites and, when locating the site, found the necessary information from an enterprise’s website. Enterprises that do not have a website or social networking offer have less chance of getting the right employees, because online offers are more attractive to bidders. This examination confirmed the validity of the survey conducted in SMEs in Slovakia. Trending the growing use of social media and the incoming generation Z to employment, despite the leak of information, should also be adapted by employers. Enterprises should therefore pay higher attention to online promotion and the development of contacts with potential employees on social networks.

Job offerings are relatively important and significant change many people’s lives. Especially, young people, after completing their studies, are fulfilling expectations and looking for new job opportunities. People looking for work do not trust the skills of an official at employment offices, and that option is their last choice. It is much more convenient to post the CV on the Internet, on different work portals. This trend is followed by gaining work through social networks. In the theoretical background, we paid attention to the process of employee recruitment, and we characterized social networks as a trend tool in looking for a job. By confronting the theoretical knowledge with the results of the survey, we have come to the conclusion that the use of social networks as a tool for the recruitment process is applied by SMEs, regardless of their domestic or foreign capital participation. Differences are in the preference of social networking types, mainly Google+ and MySpace, which are preferred by enterprises with foreign capital participation, and the level of use of such network. Based on respondents’ answers, we can conclude that there is potential for further development and sustainability in the use of social networks in the process of recruiting employees. At present, we notice a large number of social networks, and it is popular to have a profile on as many social networks as possible. It’s a way of expressing one’s thoughts, opinions or attitudes. Another significant difference was the respondents’ response to the question of ‘what are the decisive factors when looking for a job’.

It is also very interesting to find out that the tendency in the area of bidding and recruitment of jobseekers is increasing, and the respondents expressed the view of high potential of its use in the future. The advantage of such a form of employee recruitment is the timelessness of its preparation and publication, but especially the operative flexibility in case of changed conditions or rapid feedback.
Another advantage is the non-negligible aspect related to the environmental dynamics that can be perceived in the context of reducing the environmental burden associated with recruiting employees. With more and more companies struggling to find competent employees before their competitors, it is important to harness the power of different IT systems, such as social networks, to get the best talent before others. Time and operability are now the dominant variables that can make the process more effective. Taking into account the advantage of directly addressing a wide range of potential job seekers and the economic savings stemming from the use and operation of the process, it is clear that social networks can fundamentally change the recruitment strategy. This trend is manifested by an increasing number of jobseekers, thus demonstrating the sustainability and practical relevance of social networks for the future. Even though our study provides information on the growing use of social networks in the process of recruiting and the benefits of social media compared to traditional methods, more questions for future solutions arise. A step forward from the boundaries of this study would be research regarding employer branding on social media and recruitment websites in SMEs in Slovakia. We rely on the results of studies [85,86] that employers’ branding helps to gain and retain talented individuals, build trust in leadership, and develop stronger bonding through its impact on individual, team, and organizational engagement. Jobseekers look for job offers on corporate websites and share views on social networks. Their decision to engage in a job in a particular enterprise is greatly affected by the content of job information and the job profile, which has been confirmed by several studies [87–90].

In summary, we note that the current findings are based on the current labor market situation and the world economy’s strides. In the future, there may be changes that can be corrected by the conclusions presented by us. We see the potential of the possible direction of research in the analysis of the content of recruitment websites of SMEs that will be part of a further study.

Author Contributions: M.V., M.H., M.P. and S.L. conceived and designed the paper; M.H., M.P. and S.L. performed the experiments; M.V., M.H., M.P., S.L. and L.S. wrote the paper.

Acknowledgments: This research was supported by VEGA 1/0024/17 Computational model of motivation, VEGA 1/0320/17 Economic and Social Context of European 20/20/20 Targets from the Viewpoint of Economy Low-energy Houses, VEGA1/0116/18 Convergence and divergence in the international human resource management and APVV 16-0297 Updating of anthropometric database of Slovak population.

Conflicts of Interest: The authors declare no conflict of interest.

References


49. Jiménez, P.; Winkler, B.; Bregenzer, A. Developing sustainable workplaces with leadership: Feedback about organizational working conditions to support leaders in health-promoting behavior. Sustainability 2017, 9, 1944. [CrossRef]


52. Gelbmann, U. Establishing strategic CSR in SMEs: An Austrian CSR quality seal to substantiate the strategic CSR performance. Sustain. Dev. 2010, 18, 90–98. [CrossRef]


64. Sedláček, M. Potenciál sociálnych sietí pri hľadaní si zamestnania. Sociálno-ekonomická revue 2012, 10, 118–125. [CrossRef]


74. Weisshaar, K. From opt out to blocked out: The challenges for labor market re-entry after family-related employment lapses. *Am. Sociol. Rev.* 2018, 83, 34–60. [CrossRef]


77. Urbancová, H.; Hudáková, M. Employee development in small and medium enterprises in the light of demographic evolution. *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis* 2015, 63, 1043–1050. [CrossRef]


81. Lewis, A.; Thomas, B.; James, S. A critical analysis of the implementation of social networking as an e-recruitment tool within a security enterprise. *Cogent Bus. Manag.* 2015, 2. [CrossRef]


86. Alniacik, E.; Alniacik, U.; Erat, S.; Akcin, K. Attracting Talented Employees to the Company: Do We Need Different Employer Branding Strategies in Different Cultures? *Procedia Soc. Behav. Sci.* 2014, 150, 336–344. [CrossRef]


© 2018 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (http://creativecommons.org/licenses/by/4.0/).