

## CASE STUDY - FINANCIAL BENEFITS OF BRAND BUILDING FOR EMPLOYEES

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***Abstract:** The paper, in the form of a case study, deals with the brand building activities of an important employer in the context of the Czech Republic. It thus brings a new perspective on a new tool for increasing employee loyalty and at the same time streamlining the use of human resources in the organization. Specifically, the evaluation of the strategic decision of the company's management in the field of employee care. Due to the nature of the newly introduced measure, it is possible to trace the effects on employer branding as well as on the specific expression of financial benefits in the introduction of telemedicine. The introduction of telemedicine (as part of Veolia Czech Republic pilot projects) in SVAS and KHP has brought significant positive benefits in the area of direct costs or on secondary costs of compensation incapacity for work. The identified (financial only) benefits were up to 24% of the annual costs of compensation of employees' wages. To these benefits, it is also necessary to add a long-term positive effect on the building of the employer's brand and the building of long-term mutual relationships.*

***Keywords:** brand building, employees, HR, absence from work costs*

***JEL classifications:** M15; O32; I19; M30.*

### 1 INTRODUCTION

High competitive ranking in the labor market constantly stimulates employers, regardless of size, to increase their attractiveness in the labor market. The paper, in the form of a case study, deals with the brand building activities of an important employer in the context of the Czech Republic. The case study focuses on the possible benefits of introducing a new tool - telemedicine. Telemedicine appears to be a suitable tool to overcome obstacles on the part of the employee and at the same time reduce the costs of absence from the workplace. Is that really the case? It thus brings a new perspective on a new

tool for increasing employee loyalty and at the same time streamlining the use of human resources in the organization. One of the key tools is brand building within B2E. High competition leads to a persistent effort to differentiate itself from other employers, which can result in disproportionate activities on the part of the employer and a lack of perception of the values provided on the part of employees. So are there tools to differentiate yourself positively, to become a partner of employees even outside the workplace, and at the same time to obtain measurable benefits? Definitely. One of these ways is to provide a service to employees that is useful enough for them to actively use it, and at the same time will have a positive effect on the company's finances. It is telemedicine paid for by the employer that becomes this advantage. So how will the introduction of telemedicine services into the life of the company affect MEDDI? The starting point for these findings is the pilot operation of MEDDI (specifically the Veolia Health Care by MEDDI application) for the Veolia Group in the Czech Republic.

## **2 RESEARCH METHODOLOGY**

The analysis of brand building activities of employers in the field of care for employees used the method of guided interview that took place with representatives of KHP and SVAS, another research method was an analysis of the costs of absence from the workplace, which was carried out by the Veolia group for its own needs regarding the further expansion of telemedicine in other companies. The survey was carried out in the form of an inquiry at the end of 2020 and subsequently in the 1st quarter of 2021. The survey was focused on the benefits of introducing a new telemedicine tool, both on the benefits on the functioning of companies and the impact on the perception of the employer brand and relationships within companies. The key source for the article is an internal analysis of the Veolia group, the output of which is a separate case study that served as a decision-making tool for the introduction of the MEDDI solution in other companies within the group.

The following research questions were set:

RQ1: Is the implementation of the MEDDI solution beneficial for employee relations?

RQ2: Has the brand perception of individual companies changed due to the introduction of telemedicine?

RQ3: Does this measure have demonstrable economic effects?

### **3 MAIN BODY OF TEXT**

There are situations where the employee does not necessarily have to visit doctor's office. For example, in the case of sending various medical certificates, consultations, follow-up care or in a pandemic, where it is recommended to limit direct contact with people on the front line. And here is an opportunity for eHealth and telemedicine. And it is also a threat to employers. At the same time, the threat to employers associated with the employee's short-term absence and the costs associated with it, even in the case of caring for employees' family members. A significantly higher threat is the long-term limitation of the employee's performance, or his long-term absence or even loss in the event that the employee's health problems are not resolved in time due to barriers and low availability of health care.

These are not new concepts brought about by the COVID-19 pandemic, but concepts that healthcare has been trying to deal with in an appropriate way for several years. However, due to the COVID-19 pandemic, the pressure to develop eHealth and telemedicine is enormous.

What is the most common idea of telemedicine among the professional and lay public? The patient sends the request to the doctor through his application, where the doctor clearly sees what the patient needs to advise. Whether it is a consultation, issuing a medical order or confirmation, or just a dispensation. Physicians determine the order in which requirements are addressed. After resolving the case, the patient will receive a notification on their computer or mobile phone.

Demographic prospects are not rosy for healthcare. Over the next decade, there will be more people in the older age groups, who are often polymorbid patients requiring a higher health care pension. The capitation index is also taken into account here, which assumes that a person aged 70-74 needs twice as much time with a doctor as a person 40 years younger and a person older than 85 years 3.4 times more. If we recalculate the demographic development in this way, it is expected that the practice in 2025 will be four percent higher

than in 2019 and in 2030 almost eight time-consuming percentages for patients. According to forecasts, the expected increase in the workload will be seven percent in 2025 and 14 percent higher in 2030 than in 2017. (Koubová, 2021).

After a year with COVID-19, however, it can be stated that the MEDDI application platform has a very positive response not only among healthcare professionals, medical and scientific institutions. The MEDDI solution was initiated many years (in 2016) before the COVID-19 pandemic, so it can be described as a solution that was created after thorough analyzes of the needs of healthcare professionals and patients, legal and market conditions. Therefore, it will serve as an example of an advanced telemedicine solution.

### **3.1 Brand building and costs associated with absence from the workplace**

The reasons for building the employer's brand have already been outlined in the introduction. Employer 's brands represent connections and associations with employees - workers – these are „viewed as complex psychosocial beings who are at once individuals with diverse needs, desires, and goals but who, at the same time, are also members of social groups (fellow workers, wider society, etc.) where such associations modify their individualistic impulses” (BRUCE In FREGA). Organizational commitment is the standard of a worker who will give energy, and feel proud in the company (POWELL & MEYER In SAYUTI).

Building brands concurrently means the job-redesign that, whenever possible, jobs should be designed in ways that maximize the variety of tasks so as to avoid repetitiveness (job enlargement), whilst at the same time giving workers the sense of accomplishment which derives from being in charge of a broad range of actions leading to the production of a whole product or service (FREGA).

Why is it appropriate to build an employer brand from a long-term perspective? As described by MOUSAVI (In YOGANATHAN, OSBURG AND BARTIKOWSKI) perspective posits that once aligned with a group, the group's identity motivates pro-group behaviour in individuals. The result is that individuals with a strong group identity promote their group online and in the case of employees, promote their employer brand (e.g., by contributing positively to employer's social media pages) and support co-workers (HUANG & LIU;

SCHAARSCHMIDT & KÖNSGEN In YOGANATHAN, OSBURG AND BARTIKOWSKI). Companies are facing an exodus of employees who are exhausted and overwhelmed, questioning what work means, and thinking through their options. Organizations can offer an excellent employee experience by taking these needs and feelings seriously at such a crucial time (EMMETT).

One of the ways to build the brand, is the relationship between the employee and the company, is to be with it in difficult times, to become a useful support to it. This is what the MEDDI telemedicine platform offers. But what does telemedicine mean?

eHealth is the use of information and communication technologies (ICT) for health. The eHealth unit works with partners at the global, regional and national levels to promote and strengthen the use of ICT in health development, from field applications to global governance. The unit is based in the service and security department in the cluster of health systems and innovations. (WHO)

Eysenbach (2001) e-health is an emerging field at the intersection of medical informatics, public health and commerce that concerns health services and information provided or enhanced through the Internet and related technologies. In a broader sense, the term characterizes not only technological development, but also the state of mind, way of thinking, attitude and commitment to networked, global thinking to improve health care at local, regional and global levels. using information and communication technologies.

Covers of eHealth (Royal College of Nursing, 2021):

- electronic patient records (including evaluation and care planning, electronic prescribing of nurses, patient planning, online laboratory requirements / results, e-pharmacy, clinical communication such as discharge / transfer letters)
- electronic communication with patients and professionals (includes telephone support / counseling lines, email, SMS messages)
- telehealth / telecare (eg remote monitoring, video consultation, including redesign of services, facility management, etc.)

- information management (re - use of recorded data for care purposes to improve care, operation of clinical services, healthcare research, decision - making based on patient information, etc.)
- information management (includes confidentiality, system security and data protection, data quality)
- Personal health records (repositories of information that an individual considers relevant to their health, fitness, development and well-being, and in which that individual has primary control over the content of the record).

Table 1: The 10 e's in "e-health"

Area	Tasks
<b>Efficiency</b>	one of the promises of e-health is to increase efficiency in health care, thereby decreasing costs. One possible way of decreasing costs would be by avoiding duplicative or unnecessary diagnostic or therapeutic interventions, through enhanced communication possibilities between health care establishments, and through patient involvement.
<b>Enhancing quality of care</b>	increasing efficiency involves not only reducing costs, but at the same time improving quality. E-health may enhance the quality of health care for example by allowing comparisons between different providers, involving consumers as additional power for quality assurance, and directing patient streams to the best quality providers.
<b>Evidence based</b>	e-health interventions should be evidence-based in a sense that their effectiveness and efficiency should not be assumed but proven by rigorous scientific evaluation. Much work still has to be done in this area.
<b>Empowerment of consumers and patients</b>	by making the knowledge bases of medicine and personal electronic records accessible to consumers over the Internet, e-health opens new avenues for patient-centered medicine, and enables evidence-based patient choice.
<b>Encouragement of a new relationship between the patient and health professional</b>	towards a true partnership, where decisions are made in a shared manner.
<b>Education</b>	<b>Education</b> of physicians through online sources (continuing medical education) and consumers (health education, tailored preventive information for consumers)

<b>Enabling information exchange and communication</b>	in a standardized way between health care establishments.
<b>Extending the scope of health care beyond its conventional boundaries.</b>	This is meant in both a geographical sense as well as in a conceptual sense. e-health enables consumers to easily obtain health services online from global providers. These services can range from simple advice to more complex interventions or products such as pharmaceuticals.
<b>Ethics</b>	e-health involves new forms of patient-physician interaction and poses new challenges and threats to ethical issues such as online professional practice, informed consent, privacy and equity issues.
<b>Equity</b>	to make health care more equitable is one of the promises of e-health, but at the same time there is a considerable threat that e-health may deepen the gap between the "haves" and "have-nots". People, who do not have the money, skills, and access to computers and networks, cannot use computers effectively. As a result, these patient populations (which would actually benefit the most from health information) are those who are the least likely to benefit from advances in information technology, unless political measures ensure equitable access for all. The digital divide currently runs between rural vs. urban populations, rich vs. poor, young vs. old, male vs. female people, and between neglected/rare vs. common diseases.

Source: Eysenbach (2001)

In addition to these 10 basic e-eHealth, there should also be (Eysenbach, 2001):

- easy to use
- fun (no one will use something that is boring!) And
- exciting

These points are hand in hand with the requirements for brand building activities.

Telemedicine, a term used in the 1970s and meaning "remote treatment" (Strehle, Shabde InWHO 2010), means using ICT to improve patient outcomes by improving access to care and medical information. The World Health Organization has acknowledged that there is no definitive definition of telemedicine - a 2007 study found 104 peer-reviewed definitions of the word (Sood In WHO, 2010) - adopted the following broad description: who use

information and communication technologies to exchange valid information for the diagnosis, treatment and prevention of disease and injury, research and evaluation, and for the further education of health care providers, all in the interests of improving the health of individuals and their communities "(WHO, 1997).

Remote access has been used for some time, for example in Denmark, for "emergency" testing of patients, who are then sent directly to a hospital, clinic or pharmacy with self-medication instructions. The Slovak insurance company Dôvera also tried to use a call center with a similar service, but there was interest only during the coronary crisis and perhaps for a short time during the campaign. (Koubová, 2021).

How to describe the MEDDI application platform? As a platform that connects physician and patient through an encrypted call, video call, or chat. This solution is simple, safe and fast, thus meeting the requirements of the market, as these key parameters represent the successful acceptance of the professional public, institutions and patients, employers and employees.

After many years of development, the MEDDI telemedicine application platform is a tool for convenient, clear, safe and objective care on all platforms (iOS, Android, web). It represents a 100% Czech investment with a positive response. During the first year on the market, the MEDDI hub became the official telemedicine partner of the Masaryk Cancer Institute. Partner who ensures the integration of communication channels and data processing from implanted technologies in oncology, palliative medicine, nephrology, treatment scars, etc. Currently, it is also used by a number of companies to overcome obstacles in the performance of work on the part of employees, such as companies of the Veolia Group Czech Republic, the Chamber of Commerce, Ensana Hotels and others.

Main benefits of telemedicine application platform MEDDI:

- More efficient and secure consultation with doctor without waiting, from distance
- Medical care in comfort instead of visiting a doctor based on the facts
- Perfect overview of care, lifestyle and health



- Delivered by encrypted video conferencing, encrypted calls, encrypted chat and data storage
- Instant secure connection with the doctor via video call, audio and chat, all encrypted
- Expert consultation regardless of the distance from a wide range of experts
- Second expert opinion from the doctor on the basis of facts
- Comfortable, clear, secure and objective care
- All confirmations, prescriptions and requests from the doctor filled in automatically and remotely
- Digitization of medical records and online access
- Preventive medical care tool, possibility of monitoring and evaluating convalescence, and other key values
- Overcoming obstacles to work

### **3.2 Financial benefits of telemedicine for employers**

The brand benefits of telemedicine, if the employer decides to provide it to their employees, are very difficult to evaluate. From the feedback of a number of pilot projects and the evaluation of today's long-term cooperation, it is clear that this distinction is useful, beneficial and sought-after. The MEDDI platform has a number of ambassadors not only among members of management, but especially among regular employees, helping them to solve a number of difficulties. But what are the benefits that can be expressed financially? So. the cost of absenteeism?

The incapacity for work of employees can significantly increase the company's costs, by up to twice the salary missing employee. The PwC survey sought information from 1,200 top managers and HR leaders in 79 countries, including the Czech Republic. The analysis showed that the number of days of illness is directly proportional to the size of society. In a company with more than 600 employees, people are sick longer, on average by more than three days a year, compared to small companies with up to 200 employees. (PWC)

### 3.2.1 Veolia Group Czech Republic

How does one of the key customers, the Veolia Group Czech Republic, a leading supplier of services in the field of water management, energy and waste management, use the MEDDI platform? The group is part of the French multinational concern Veolia, which is a global leader in the provision of environmental services. It employs almost 10,000 people in the Czech Republic, so the MEDDI solution was a great opportunity to try out a modern (innovative) and functional tool in the form of a telemedicine application, a doctor on the phone, and to see how employees' incapacity for work changes over time. In general, the health of our employees is in the forefront. In addition, given the size of the groups, seemingly small decisions have a huge impact. With a large number of employees, you perceive every day incapacity either on direct costs or on secondary costs of compensation for work of every employee. Thanks to MEDDI, we have been able to realistically reduce these costs, while reducing time, which employees at work incapacity spend (in companies Královéhradecká Provozní, a.s. – KHP and Středočeské vodárny, a.s. – SVAS). (SLEZÁK, 2021)

The company Královéhradecká Provozní, a.s. is a water supply company whose predominant activity is the operation of water supply and sewerage systems. The company has been operating mainly water supply infrastructure since 30 September 2005, consisting of assets leased by Vodovody a kanalizace Hradec Králové, a.s., Jičín and Trutnov. In addition to its main activity, the company operates other activities: sale of construction products, construction activities, sewer cleaning and monitoring, consulting in the field of drinking and wastewater, laboratory analyzes. The company Královéhradecká Provozní, a.s., belongs to the Veolia Group, which is part of the multinational Veolia Environnement Group. (KHP)

Středočeské vodárny, a.s. are the operator of water supply and sewerage owned by municipalities and cities, which are located in the former districts of Kladno, Mělník, parts of Prague East and West, parts of the districts of Rakovník and Mladá Boleslav. The company is engaged in the production and distribution of drinking water and drainage and wastewater treatment. Středočeské vodárny (SVAS) provides, in addition to its main activity, other services related to the operation and maintenance of water supply and sewerage systems for public use. It is, for example, the solution of accidents on the water supply and

sewerage network, water meters, etc. SVAS also offers a number of services to its end customers (building owners), such as survey and measurement on the sewer network, laboratory analyzes, implementation of connections, search for hidden faults, rodent control, seals and more. (SVAS)

### 3.2.2 Quantifying the benefits of telemedicine

Is workplace absenteeism a topic worthy of management attention? The Confederation of British Industry recently claimed that sickness costs businesses £1.1 billion a year (LACEY)

So what are the measurable benefits of telemedicine from an employer's perspective? The Veolia case study (SLEZÁK, 2021) shows the following:

For companies that did not use the application MEDDI, was recorded in 2020 increase in morbidity by an average of 20% (compared to 2019). In other companies, KHP and SVAS, was the MEDDI app launched in September 2020, which was reflected the lowest increase in morbidity, despite the effects of COVID in 2019 and 2020.

MEDDI was dropped at SVAS Kladno morbidity of employees in 2020 even by 18% (compared to 2019), namely despite the effects of COVID.

In the companies KHP and SVAS thanks to the MEDDI app, it saved a total of 732 days of absence (excluding illness).

Every employee from the company KHP and SVAS, we saved in terms of 1.5 days (or 1.4) absences per year. Real savings of a company with 1,000 employees, at payroll costs 53,000 per month on employee, is 2.9 million crowns, thus up to 24% of the annual cost of compensation of employees' wages.

## 4 RESULTS

As already mentioned, the measurable benefits of telemedicine from the employer's point of view (thanks to pilot projects in KHP and SVAS) are quite convincing, as in the monitored companies compared to others within the Group dropped sickness of employees in 2020 even by 18%, so there were savings of 732 days of absence. Each employee was saved 1.5 days (or 1.4) absences per year. Real savings of a company with 1,000 employees is thus 2.9 million crowns (at wages costs 53,000 per month on employees). Thus, savings

on wage compensation costs amount to up to 24% of annual costs. In comparison with the costs of providing telemedicine services for employees, this is ten times the amount invested. And only these direct financial benefits are calculated. (SLEZÁK, 2021).

Non-financial expression of benefits for building the employer's brand is impossible with the existing analytical tools. It is therefore possible to formulate them only in general:

- protection of critical infrastructure personnel from COVID 19,
- strengthening the relationship between employees and employers (also thanks to the training provided to all employees),
- PR and HR response in a number of forums,
- active assistance to employees in difficult times on behalf of the company
- positive differentiation in the labor market
- an above-standard advantage for employees in difficult times
- effective partnerships in solving health complications
- reducing barriers to healthcare provision across regions and professions

## **5 DISCUSSION AND CONCLUSION**

Data from a case study, interviews with management and employees of both companies show that telemedicine, if well mastered, is a welcome opportunity to strengthen the employer's brand. The case study shows a new direction that can be taken in the context of the search for savings and at the same time increasing the efficiency of the use of corporate resources. Based on the case study, we recommend it to other companies as a possible way to strengthen the employer brand, increase loyalty and, last but not least, financial savings.

The following research questions were set:

RQ1: Is the implementation of the MEDDI solution beneficial for employee relations?

Based on employee reactions to the new tool, the frequency of use of this service and the improvement of employee health care (especially during the

COVID restrictions), it is clear that to strengthen the relationship with employees.

RQ2: Has the brand perception of individual companies changed due to the introduction of telemedicine?

The use of the MEDDI solution became an attractive topic for a number of PR outputs, and the benefits of the telemedicine application were also very well communicated internally. As confirmed by interviews with management,

RQ3: Does this measure have demonstrable economic effects?

On the basis of a case study (SLEZÁK), it is clearly proven that the decision to introduce telemedicine in selected companies of the group was clearly beneficial for management and the efficiency of the use of not only human resources.

Deciding on this strategic step is easier thanks to the proven financial benefits for employers. The advantage of using the MEDDI platform is also proved by the fact that this telemedicine tool is becoming a part of everyday life (and employee care) in other companies not only in the Veolia Czech Republic Group. Due to the relatively short period of operation of telemedicine not only in the Czech environment, a detailed knowledge of the impacts and positive benefits of telemedicine is a task for the future. The MEDDI telemedicine solution appears to be completely satisfactory for the needs of both employers and employees, the reason being a number of functions that competing solutions do not offer. In the context of employers' requirements, MEDDI's solution is so unique and beneficial not only in the environment of the Czech Republic that there is essentially no competition.

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