

STUDY ON THE EFFECT OF EMPLOYER BRAND IMAGE ON ORGANIZATIONAL PURSUIT INTENTION

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ABSTRACT

Amidst today's workplace and talent revolution, the organizations need the ability to transform faster according to the changing situations. Success depends on the most critical resource of having the right people with the right skills. Entry level graduates are the major source of recruitment. Hence the organizations have to design appropriate strategies in order to attract the talents and make the recruitment process effective. A new job entrant chooses an organization to work based on various attributes. Employer branding is the main focus for top management as companies started realizing that the human resources are the valuable assets and it is essential for the organizations to project themselves an image, of good place to work. The purpose of this research is to study the employer brand image attributes on organization pursuit intention among the Gen Z who are actively seeking employment.

KEYWORDS: *Corporate Image, Employer Branding, Gen Z, Organization Pursuit Intention, Social Media Activities.*

INTRODUCTION

Rapidly changing business environment has made the organization shift their mode of operations to be more focused on being employer – employee centric. Employer branding has is the organizations' priority as they started realizing that people are the most valuable intangible assets they possess. The word, employer branding introduced in the year 1996 into the lexicon human resources is grabbing attention among the current generations who are in the line of entry level graduates. Employer branding represents a firm's efforts to promote the organizational image and retain the talents, that makes it different and desirable as an employer and determines the best place to work in which is often called as "Employer of Choice".

Nowadays the companies manage not just to muddle through the difficulties, but to become role models. The takeaway for the organizations seems clear which includes treating employees well during the toughest times will attract talent, even when the war for talent heats up and a great workplace to work for all is the main motto. On the other hand, the organizations motive is also very clear that through employer branding they get the right candidate for the right job.

The main purpose of this study is to identify job seekers perception of employers and their intentions, and examining how employer brand image dimensions are significant to university

students, and investigate the differences in the perceptions of employer brand image emerge according to outside influences like social media.

The presence of social media helps employers improvise their communication channel of job-related information, strengthening the image and identifying potential candidates while doing their employment choice processes. Drawing on branding theory, this study identifies substantial drivers of employer brand image in a social media context, such as information-seeking behavior, with the employer and its employees, and corporate image.

The organizations need the ability to transform faster according to the changing situations. Success depends on the most critical resource of having the right people with the right skills. An applicant would not apply for or continue to work for a company that has a bad reputation with former employees or the general public, and are likely leave if their employers were being negatively portrayed in the news or on social media because of a crisis or negative business practices. Branding is not only about logos and brand messaging but it encompasses how you present your company to customers as well as employees. It is an ongoing process because the external world is constantly changing and we need to evolve with it.

The study is done Gen Z (1997-2012), following millennials who are having greater influences on the internet and social media. In general, generation Z is more individualistic and self-directed and has high self-control (Singh and Dangmei, 2016). And moreover, the studies show that they prefer to work with organizations with high social responsibility and play a good role in their communities due to ethical and sustainable management education (SetoPamies and Papaoikonomou, 2016). The respondents give more weight to value expression rather than social adjustment concern and they rely more on Glassdoor platforms or the other website review before applying for a job.

Employer Branding

The term “employer branding” suggests that an organization’s characteristics as an employer are differentiated from those of its competitors. The term suggests that an organization benefits from employer branding when it is perceived as a great place to work by current employees. The employment brand highlights the unique aspects of the organization’s employment offerings or environment (Backhaus & Tikoo, 2004). Several studies have found that organizations with a good employer brand will attract more prospective employees (Cable & Turban, 2003; Sivertzen, Nilsen, & Olafsen, 2013; E. Alniacik, Ü. Alniacik, Erat, & Akcin, 2014) and be better able to retain them (Gittell, Seidner, & Wimbush, 2010).

Review of Literature

1. Employer Brand Image

Ambler and Barrow (1996) define ‘employer brand’ as “the package of functional, economic and psychological benefits provided by employment, and identified with the employing company.” Like the purpose of building a product brand is to establish a stable product image in the minds of the customers, similarly the motive of creating an external employer brand is to convey a stable employer image to prospective employees (Sullivan 1999). All sources of communication used by organizations including advertisements, promotional campaigns, and other promotion tools, leads to the formation of external and internal image of the organization. These perceptions about organization’s characteristics eventually lead to the formation of employer brand. Also a strongly established employer brand enables an organization to gain competitive advantage over other employers in the market (Lievens and Highhouse 2003).

1.1 Employer Brand Image and Organization Pursuit Intention

Organisation intention implies a person's desire to apply for an organization with or without committing to the actual pursuit behaviour (Chapman et al. 2005). In the case of product brands, customers form beliefs about the product through advertisements, and word of mouth communication before finally deciding to buy or reject the product. Similarly, the employer brand also contributes to building the expectations of potential applicants and influencing their employment decision (Berthon et al. 2005). According to Ruchika and Prasad (2019), interviews with placement coordinators of various technical institutions revealed that students prefer to seek employment in firms with a strong brand name, effective working environment, a transparent appraisal system, cooperative colleagues, and flexibility in working environment. Potential applicants also use various sources to develop a multi-faceted image of employers and accordingly make their employment decision (Turban and Greening 1997; Gatewood et al. 1993). According to Signaling theory (Rynes 1991a, b, c; Spence 1973), being outsiders, job seekers do not have complete information about the company and thus they tend to evaluate its various signals such as promotions, recruitment messages, HR practices, etc. With these signals, applicants develop a schema of the expected organizational characteristics and evaluate their pursuit intentions against the same. The more favourable this schema is, higher are the chances that applicant would pursue employment with the organization (Ravlin and Meglino 1989).

High house et al. (2003) empirically studied two major constructs namely candidate's intent to pursue employment, and organization's general attractiveness and found positive impact of both of these factors on organization pursuit behaviour. Collins (2007) also argued that employer reputation; including its familiarity, image, and presence in the market strongly impact the candidate's interest in applying for a job and accepting the offer, if selected.

1.2 Employer Brand Image and Social Media Activities

Social Media and Employer Branding is an emerging concept in the field of marketing and has been defined as "a group of Internet-based applications that are based on ideological and technological foundations of Web 2.0 and allow the creation and exchange of user generated content" (Kaplan and Haenli, 2010). SNSs such as Facebook, LinkedIn, Twitter and many more have paved a way for successfully reaching out to the potential employees by the firms. Sullivan (2004), has conceptualized employer branding as a targeted long term strategy to bring about the awareness and perceptions of the employees of a particular firm. Using social media for human resource functions helps in building employer branding and is beneficial for attracting right talent for the firms (Collins and Stevens, 2002; and Davison et al., 2011). A recent study in 18 countries by Tallulah (2014) concluded that social media is the most effective and preferred channel in promoting and enhancing the employers' brand.

Employer Brand Dimensions and Organization Pursuit Intention

Employer brand represents comprehensive information about the employer and employer-employee relationship (Lassar et al. 1995). Thus, an effective employer brand may influence the joining intentions of a candidate (Sharma and Prasad 2018; Turban and Cable 2003). With the aim to analyze the relationship between employer brand dimensions and candidate's pursuit intentions, following hypotheses, including one major and other sub-hypotheses have been stated in this context.

H1: There is a positive relationship between employer brand dimensions and organization pursuit intention.

Career Enhancement Opportunity

Baby boomers prefer job security over any other parameters while selecting their employer. Whereas younger generation prefer the organizations that provide the opportunity to grow, challenging work profiles, better learning environment, and job flexibility (Smola and Sutton 2002). Career growth opportunity is one of the major factors on the list of Millennials while selecting their employer (Hu et al. 2008). This significant segment of youngsters aspires to have sharp growth in their career graph within a shorter period of time (Ng and Burke 2006). According to Weng and Hu (2009), career growth is measured through three parameters namely, career goal progression, development of professional ability and growth in terms of remuneration. Job seekers prefer the organization that offers them opportunity to grow, focus on their training and provides them environment wherein they can earn, learn and grow simultaneously (Kumari and Saini 2018).

H1a: There is a positive relationship between Career enhancement opportunity and organization pursuit intention.

Company's Reputation

Under resource-based view, reputation is considered as a valuable and intangible resource that provides strategic and competitive benefit to the organization (Walsh and Beatty 2007). According to Cable and Turban (2003), there are numerous studies under personnel psychology that provide strong evidences that a company's reputation is an important aspect of recruitment and have a positive influence on candidate's job pursuit intention. Job applicants often consider organization's reputation as a benchmark to evaluate its past performance and current working conditions (Cable and Turban 2003). It is believed that company's reputation is formed through symbolic attributes that are intangible (Highhouse et al. 2003). These characteristics determine the candidate's initial attraction towards company and thereafter, contribute to their application intention (Lievens et al. 2005; Highhouse et al. 2003).

H1b: There is a positive relationship between Company reputation and organization pursuit intention.

Work Culture

Work culture aspect of employer brand signifies job security, flexibility, work-life balance, friendly and supportive environment (Tanwar and Kumar 2019). Other significant parameters for candidates to select an employer are—acceptance by superiors, support from subordinates, job security flexibility, work-life balance, friendly and supportive environment (Tanwar and Kumar 2019). Other significant parameters for candidates to select an employer are—acceptance by superiors, support from subordinates, job security, flexibility and overall social value of the firm (Cable and Judge 1996). 'Social aspect' of any organization is found to be an important factor in strengthening its brand and establishing it as great place to work (Almıaçık and Almıaçık 2012). According to Nadler et al. (2010), Youngsters prefer organizations that offer work flexibility, flexi-tours, and variable week programmes over the other rigid organizations (Backhaus and Tikoo 2004). Millennials desire to find equilibrium between personal and professional life and thus prefer organizations that provide flexibility and enhanced work-life balance (Sharma and Prasad 2018).

H1c: There is a positive relationship between work culture and organization pursuit intention.

Salary and Other Incentives

Compensation is considered as an important attribute of any job (Cable and Judge 1994).

Also, Berthon et al. (2005) stated that an above salary package and additional incentives are one of the important aspects students aspire for while applying for an organization. Though Millennials are found to have strong inclination towards company's reputation but are also attracted towards the organizations that provide attractive compensation package and additional benefits such as insurance and retirement plan (Tetrick et al. 2010; Ruchika and Prasad 2019). Furthermore, organizations that provide monetary and non-monetary benefits to its employees are perceived as better employer in the market (Berthon et al. 2005). Thus, Salary and additional benefits are considered as important contributors to applicant's job choice decision (Ng and Burke 2006).

H1d: There is a positive relationship between Salary and other incentives and organization pursuit intention.

CSR and Ethics

Socially responsible organization is believed to contribute to the society in three major areas namely, social, ethical and ecological (Odumeru and Ifeanyi 2013). When CSR is explored in employment context, companies with good CSR reputation are viewed as 'better place to work' over other employers in the market (Sharma and Prasad 2018). Corporate Social Responsibility (CSR) is one of the concepts that gains maximum attention amongst younger generation as they are extra concerned about the environment and society as a whole. Furthermore, due to the growing importance of aforesaid, Millennials are found to relinquish compensation and other benefits over ethics and CSR reputation (Sharma and Prasad 2018). Thus, engaging in CSR practices and building strong ethics can help the organizations to gain competitive edge and subsequently attract better job applicants to work for them (Albinger and Freeman 2000).

H1e: There is a positive relationship between CSR and Ethics and organization pursuit intention.

Diversity and Inclusion

Perceptions of a firm's competency and achievement in managing diversity (diversity reputation) can become a source of sustained competitive advantage in attracting talented individuals of all backgrounds (Cox & Blake, 1991). Conversely, a poor diversity reputation can make it particularly difficult for firms to recruit talent, especially among female and minority job seekers (Greening & Turban, 2000; Leonard, 2001). A poor diversity reputation can make it particularly difficult for firms to recruit talent, especially among the job seekers (Greening & Turban, 2000; Leonard, 2001).

H1f: There is a positive relationship between diversity and inclusion and organization pursuit intention.

Employer Brand Dimensions and Corporate Image

From early research into corporate image (Kennedy, 1977; Martineau, 1958) up to the present time (Hatch et al., 2003), scholars do not agree upon the definition and the operationalization of the term (Balmer, 2001; Gioia et al., 2000). Nevertheless, research in this area is vital because corporate image is a valuable asset that companies need to manage (Abratt and Mofokeng, 2001). A favorable image can boost a firm's sales through increased customer satisfaction and loyalty (Andreassen and Lindestad, 1998), as well as attract both investors (Fombrun and Shanley, 1990) and future employees (Dowling, 1986; Lemmink et al., 2003). It weakens the negative influence of competitors, enabling organizations to achieve higher levels of profit (Fombrun and Shanley, 1990).

Corporate Image as a Mediating Variable between Employer Brand Image and Organization Pursuit Intention

There were times when job applicants were more concerned about the nature of work and type of job while applying for an organization. Now the trends have changed and people are more concerned about the name and brand value of a firm (Shabbir et al. 2017). Especially, younger generation thrives to join an organization which gives them feeling of pride, repute and prestige (Sharma and Prasad 2018). Organizational prestige is the feeling of pride resulting from the employment with a particular organization and respect gained from the people external to the organization (Shabbir et al. 2017). According to Smidts et al. (2001a, 2001b), organization's external prestige is defined as the employee's thoughts about outsider's evaluation of his/her employer. Various characteristics of a firm such as HR policies determine its status and prestige and subsequently, help to attract and recruit new talent (Rynes 1991a, b, c; Gatewood et al. 1993; Cable and Turban 2003). According to brand equity concept proposed by Cable and Turban (2003), firm with a stronger employer brand (for example, good reputation) are perceived to be prestigious by applicants and thereby increase the latter's desire to join them. Young generation has a special orientation towards brand image and thus, their decisions relating to applying for and joining a firm is determined by organization's reputation in the market (Sharma and Prasad 2018). Also, information about various HR practices such as compensation, work culture, diversity, etc. is found to not only enhance the organization's prestige but also influence the job related decisions of applicants (Wayne and Casper 2012). According to Vagharseyyedin et al. (2011), compensation and benefits significantly predict the perceived organization's prestige. Younger generations are found to assume the organizations to be prestigious if they focus on continuous development, growth and career advancement of its employees (Sharma and Prasad 2018).

Companies are focussing more on CSR initiatives with an aim to enhance their prestige and build their corporate reputation (Chen, et al. 2015; Lai et al. 2010; Pomeroy and Johnson 2009). Organization's prestige reflects firm's image of being a good employer and also act as a dominant predictor of applicant's willingness to pursue employment (Wayne and Casper 2012). Students desire to initiate their career with reputed firms and thus are influenced more by organization's brand image and prestige (Sharma and Prasad 2018). Highhouse et al. (2003) has contributed to the concept of organization's prestige and explained it through the subjective norms component of theory of reasoned action. When an applicant assesses the association with an organization as a symbol of repute and pride among its social groups, there are better chances to find such organizations in candidate's consideration set (Highhouse et al. 2003; Fishbein and Ajzen 1975).

H3: Corporate Image mediates the relationship between Employer Brand dimensions and organization pursuit intention

Social Media influence on Employer Brand Image, Corporate Image and Organization pursuit Intention

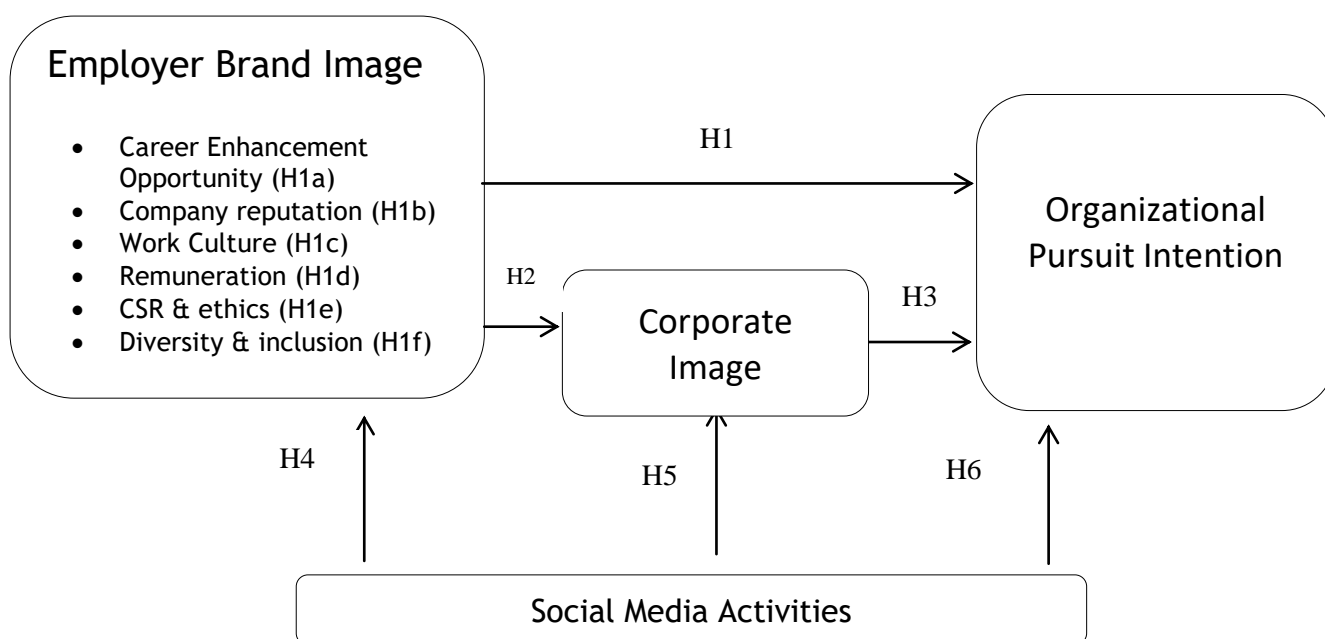
For Employer branding and Organization pursuit intentions, social media is a useful tool for sharpening and improving corporate images and thus benefitting application intentions. Both the content and its means of communication are crucial for the social media career site's success. By using symbolic brand meaning in social media, organizations can differentiate themselves better than it would be possible with instrumental attributes and build a strong brand personality (Aaker, 1997). Today, the use of instrumental information in communication to jobseekers is used about 4.5 times more often than symbolic attributes

(Nolan et al, 2013).

A positive corporate image is necessary to improve employer brand image. Social media activities represent a tool to manage the whole corporate brand, not just the employer brand. Even if people have distinct images of the employer and corporate brands, the latter dominates, influencing various associations that form preferences for a specific employer. Employer brand should be strongly consistent with the firm's corporate brand to maintain a nearly identical image across relevant stakeholder groups as job seeking on career sites influences the corporate image, rather than a specific employer image. A dedicated career site would be just as effective as a general social media site that also includes product and company-related information. (Kissel, P., & Büttgen, M, 2015)

H4, H5, and H6: There is a positive relationship between social media information (a) Employer Brand Image, (b) Corporate Image, and (c) Organization Pursuit intention

Proposed Model



Discussions

With the disruptive changes happening in the corporate world, and also the changes in the education system, today's Gen Z job seekers have more exposure to what they want and what they seek. The organizations should adopt unique approach to analyze the various brand image dimensions that prevail in the organizations and take measures to improvise the processes/methods in order to retain the existing employees and also attract young potential talents.

Conclusion

In an environment of war for talent, organizations can derive competitive advantage by attracting and retaining the best talent. Thus it becomes very important to examine the application behaviours of the prospective candidates. However, the individuals use reputation as a signal about job attributes and reputation affects the pride that individuals expect from organizational membership. They are willing to pay a premium in the form of lower wages to join firms with positive reputations. From the model; some important insights can be drawn

for both organizations as well as new employers. The outcomes may urge the employers to redefine their employer branding strategies and revamp their employer value proposition for attracting the right talent for their organization

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