Employer Branding and its Influence on Potential Job Applicants

Lin Dar Ong

Faculty of Business and Accountancy, University of Malaya, Kuala Lumpur, Malaysia.

Abstract: Although much attention has been devoted to advancing the knowledge and understanding of the role of branding in influencing consumers, little empirical work has been done on the influence of employer branding in the potential applicants context. The knowledge gained through research in this area is vital to firms and human resource practitioners since favourable employer brand attributes affect recruiting outcomes–job pursuit intentions, organizational attraction, acceptance intention, and job choice. In this paper, I propose a framework to investigate the relationships between functional and emotional aspects of employer brand attribute, followed by how they in turn affect applicants’ attraction to the firms and job acceptance intentions. This perhaps will be the first study to test the both aspects of employer brand attribute in a hieratical order and their integration effects on the recruiting outcomes.

Key words: Employer branding, organizational attraction, job acceptance

INTRODUCTION

Firms are beginning to acknowledge that brands are among their most valuable assets. They recognize that developing and capitalizing of this asset is important for their long-term profitability. Much attention has been devoted to the issue of the development of product and corporate brands for acquiring and retaining customers. From the turn of this century, the notion of employer branding is increasingly capturing the attention of both human resource and marketing scholars (e.g., Berthon, Ewing, and Hah, 2005; Lievens, 2007). Employer branding is still relatively new area of research (Backhaus and Tikoo, 2004; Lievens, Van Hoye, and Anseel, 2007). According to Davies (2008), prior work on employer branding is predominantly conceptual (e.g., Backhaus and Tikoo, 2004; Martin, Beaumont, Doig, and Pate, 2005).

Researchers tend to assert that employer branding--defined as the process of placing an image of being a “great place to work” in the minds of potential employees--influence the firms’ success in increasing the quantity and quality of applicants (Collins and Han, 2004; Turban and Cable, 2003) and retaining their current employees (Backhaus and Tikoo, 2004). Employer branding is important as employers wish to recruit and retain skilled employees (Berthon et al., 2005; Ewing, Pitt, De Bussy, and Berthon, 2002). Since firms operate in an environment of intense global competition, a strong employer brand emerged as the key to winning this “war for talent” (Martin et al., 2005).

Empirical evidence suggested that firms’ recruitment-related activities could promote the employer brand (Collins and Stevens, 2004). Recruiter behaviours, job-organizational characteristics as well as applicants’ personality, perceived alternatives and hiring expectancies are documented to be the factors that make firms attractive employers (Chapman, Uggerslev, Carroll, Piasentin, and Jones, 2005).

To date, research on employer branding tend to focus on the instrumental and symbolic attributes (Lievens et al., 2007; Turban, Eyring, and Campion, 1993; Turban and Keon, 1993). Although there have been attempts to examine the relation of instrumental and symbolic attributes to applicants’ attraction to the organization, little research has examined the hierarchy sequence or causality between the two. Scholars have suggested the emotional or affective reaction usually appears to stem from cognitive evaluations through functional or utilitarian reason (Da Silva and Alwi, 2006). For instance, De Chernatony (2002) notes that consumers usually evaluate the rational part of the brand before proceed to the emotional level when evaluating a brand. According to Lievens and Highhouse (2003), symbolic attributes (or affective aspects of employer brand attribute) account for incremental variance over and above instrumental attributes (or functional aspects of employer brand attribute) in examining a bank’s attractiveness as an employer. Thus, I expect that potential applicants make evaluation on functional aspects of employer brand attribute first before they assess the affective aspects when evaluating employer brand.

I posit that an examination of this issue is of both practical and theoretical importance. From a practical view, the study would add to the understanding of the influence of functional aspects of employer brand attribute on affective evaluation when assessing employer brand in the potential applicant context. From the study, firms may compare the importance criteria in developing and strategizing employer brand. More specifically, employers could learn the factors that they need to emphasize in their recruitment strategy, and this could help them to reposition their brand attributes in the recruitment process. From a conceptual view, it would be interesting to investigate whether the instrumental attributes could have taken place first before emotional or...
affective reaction among the potential applicants when evaluating employer brand, and whether they affect their acceptance decisions.

**Literature Review:**

The notion of employer branding rose quite recently in the sphere of human capital management. It emerged from applying marketing principles to the field of people management (Lievens et al., 2007). Ambler and Barrow (1996) first coined the term ‘employer branding’. They defined the employer brand in as, “…the package of functional, economic and psychological benefits provided by employment, and identified with the employing company” (p.187). This definition appears to be analogous with the three brand concepts highlighted in the brand literature: functional, symbolic and experiential (Ramaseshan and Tsao, 2007).

Lloyd (2002) defines the employer brand as the image of the firm as “a desirable place to work” in the mind of existing and prospective staff. As Backhaus and Tikoo (2004) note, employer branding is employment specific and represents organizations’ efforts to communicate to internal and external audiences what makes it both desirable and different as an employer. On the other hand, product and corporate branding are targeted at external audience and firm is regarded as a product and service provider.

In branding literature, brand attribute refers to the functional and emotional associations that are assigned to a brand by the customers and prospects (Keller, 1993; Shavitt, 1990). Current employer branding research has relied on either the functional aspects of employer brand attribute (instrumental attributes) or symbolic associations which are ascribed by the firms’ existing and prospective employees, or even both functional and symbolic attributes.

**Instrumental Attributes (Functional Aspects of Employer Brand Attribute):**

Lievens and Highhouse (2003) define instrumental attributes (also known as utilitarian or functional attributes) as objective, concrete and factual attributes that inherent in a job or organization. Examples of instrumental attributes are pay, location, opportunities for advancement, career programs. Much traditional recruitment research has found empirical support for the importance of instrumental job and organizational characteristics as determinants of applicants’ attraction to the firms: organizational characteristics (e.g., Cable and Graham, 2000; Turban, 2001; Turban and Greening, 1997; Turban and Keon, 1993), and job characteristics (e.g., Barber and Roehling, 1993; Bretz and Judge, 1994; Turban et al., 1993).

Based on instrumental-symbolic framework in marketing literature, Lievens and Highhouse (2003) and Lievens et al. (2007) argue that these instrumental attributes cannot solely explain the variance among the job applicants’ perceptions of the firms as employers. They contend that potential applicants may also associate symbolic meanings with a firm in terms of inferred traits and employ them as the basis of differentiation among the employers.

**Symbolic Attributes (Emotional Aspects of the Employer Brand or Employer Brand Personality):**

Symbolic attributes refer to subjective, abstract and intangible job and organizational attributes (Lievens and Highhouse, 2003). Examples are innovativeness, competence, prestige, and excitement. A number of recent studies shed insight into the role of organizational symbolic attributes by describing firms in personality trait terms (e.g., Davies, 2008; Burmann, Schaefer and Maloney, 2008; Slaughter, Zickar, Highhouse, and Mohr, 2004).

Slaughter et al. (2004) identified a list of organization personality traits with five broad dimensions: boy scout (e.g., honest, attentive to people, family-oriented), innovativeness (e.g., original, creative, unique), dominance (e.g., big, successful, popular), thrill (e.g., simple, low-budget, undersized) and style (e.g., trendy, up-to-date, stylish). They found that applicants are more likely to be attracted to the firm that had personality traits similar to them.

Davies, Chun, da Silva, and Roper (2004) also use personification approach or metaphor of personality traits and develop a Corporate Character Scale with seven dimensions. The seven main dimensions include agreeableness, enterprise, chic, competence, ruthlessness, informality, and machismo. Using this scale, Davies (2008) study the role that employer brand play in influencing managers. He found that no single aspect of employer personality traits has a dominant influence on the outcomes relevant to the employer.

Some other studies used both instrumental and symbolic attributes for describing applicants’ attraction to a firm (e.g., Lievens and Highhouse, 2003; Lievens et al., 2007). These studies found that the symbolic trait inferences accounted for incremental variance over and above instrumental job and organizational attributes in determining a firm perceived attractiveness as an employer.

**Perception of Organizational Attraction and Acceptance Intentions:**

To date, prior research identified four organizational attraction outcome variables: job-organizational attraction (Lievens and Highhouse, 2003; Turban and Greening, 1996; Turban and Keon, 1993), job pursuit
intentions (e.g., Cable and Judge, 1994; Turban et al., 2001), acceptance intentions (e.g., Cable and Judge, 1996; Judge and Bretz, 1992), and actual job choice (Chapman et al., 2005).

In this paper, the focus is on two outcomes: perceptions of organizational attraction (attitude) and acceptance intentions (intention). These two variables correspond with Fishbein and Ajzen’s (1975) theory of reasoned action (TRA), which suggests that a person’s behaviour is determined by his/her intention to perform the behaviour and that this intention is, in turn, a function of his/her attitude toward the behaviour and his/her subjective norm. According to TRA, the determinant of applicants’ decision to pursue a firm as an immediate place of employment (behaviour) is the applicants’ acceptance intention if a job offer were forthcoming (intention), which in turn is determined by the applicants’ perceptions on organizational attractiveness as an employer (attitude).

A study by Highhouse, Lievens, and Sinar (2003) reveal that the relation of organizational attraction to organization-pursuit behaviour corresponds to the TRA. Besides, Van Hooft, Taris, Born, and Van Der Flier (2006) observe that the TRA provides a valid framework to explain job application decisions. Intention is measured by acceptance intentions as Chapman et al. (2005) found that measuring acceptance intentions is the preeminent proxy variable when actual job choice information is not accessible.

Research Rationale and the Modeling of Employer Brand Attributes:

Guided by the de Chernatony’s brand triangle model (see figure 1), I postulate that the functional aspects of employer brand attribute will have impact on the employer brand personality and further influence the applicants’ attraction to organization and acceptance intentions.

Christodoulides and de Chernatony (2004) suggest that the consumer may follow a hierarchy sequence when evaluating a brand. Specifically, they assert that the consumers usually assess the rational (or functional) attributes first, and then move to a higher level i.e. the emotional (or affective) attributes. However, they make no particular reference to the recruitment market. It remains unknown whether the potential applicants will evaluate the functional aspects of the employer brand attribute before they make inferences on the firms’ traits. Therefore, a study is proposed to adapt their model for the recruitment market and to test the role of employer brand in influencing applicants’ responses empirically. The study may help firms in their positioning and differentiation employer branding strategy and in turn gaining an edge in the “war for talent”.

A systematic review of the pertinent empirical literature suggests that the vast majority of employer branding research efforts have surveyed firms from Western countries, particularly US and Europe. As a result, it may be potentially misleading to infer generalizations from such findings to other countries. This paper proposes a study to be conducted in the context of Asia. Essentially, a study is proposed to contribute to this growing body of knowledge by addressing the issue of which functional aspects of employer brand attributes need to be emphasized by firms in order to achieve a positive representation of the employer brand personality and eventually attract prospective applicants to work with them.

Discussion and Implications:

Conceptual Framework

De Chernatony (2002) suggests that consumers usually assess the functional value before moving on to the symbolic level of the brand. While understanding the emotional side a brand guides the company when delivering the firm’s message to its audiences, especially in advertising campaigns, I felt that particularly in employer branding, the potential applicants might rationally assess the employer brand first before progressing to the emotional evaluation. This view is supported by Christodoulides and de Chernatony (2004) and de Chernatony and Christodoulides (2004).

Consistent with the above views, I present a conceptual framework (see Figure 2) in which the functional aspects of employer brand attribute (instrumental attributes) are proposed as the antecedents of employer brand personalities (symbolic attributes), which in turn affect the recruiting outcomes (Roberson, Collins, and Oreg, 2005).
Propositions:
Based on previous discussion, I expect that the functional aspects of employer brand attribute influence potential applicants’ perceived employer brand personality. Thus, it is expected that:
P1: Potential applicants’ perceptions of functional aspects of employer brand attribute would be positively related to their perceptions on employer brand personality.

![Fig. 2: The conceptual model.](image)

Newbury, Gardberg and Belkin (2006) and Roberson et al. (2005) assert that more favourable perceptions of firms and their attributes may increase applicant’s interest in certain firms. Empirical evidence has indicated that organizational attraction and acceptance intention are highly correlated with subsequent job choice decisions (Chapman et al. 2005). Therefore, it is appropriate to choose organizational attraction and acceptance intentions as dependent variables. Our expectations are:
P2: Employer brand personality mediates the relationship between functional aspects of employer brand attributes and organizational attraction.
P3: Employer brand personality mediates the relationship between functional aspects of employer brand attributes and acceptance intentions.
P4: Potential applicants’ perceptions of organizational attraction will lead to their acceptance intentions if a job offer is forthcoming.

Conclusion:
This paper presents a framework which examines the perception of the potential applicants’ toward employer brand attributes and their responses. I propose the antecedents of employer brand personality (represented symbolic attributes) to be the functional aspects of employer brand attributes (represented by instrumental attributes), whereas potential applicants’ attraction to organization and acceptance intentions as the consequences of employer branding. As this proposed framework focuses exclusively on potential job applicants, future research may examine the impact of employer branding on different groups of individuals such as actual applicants and existing employees.

REFERENCES


