

The Influence of Employer Attractiveness, Corporate Reputation and the Use of Social Media towards Intention to Apply for a Job

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Abstract

This study examined the influence of employer attractiveness, corporate reputation, and the use of social media towards intention to apply for a job at Schneider Electric Indonesia. This study used quantitative research with multiple regression model. There were 100 fresh graduate students selected randomly as respondents of the research. The findings of this study showed that employer attractiveness, corporate reputation, and the use of social media has significant influence toward Intention to apply for a job at Schneider Electric Indonesia. The result also showed that employer attractiveness, corporate reputation had significant influence, while the use of social media did not give a significant influence with intention to apply for a job.

Keywords: Employer attractiveness, corporate reputation, linkedln, intention to apply for a job.

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Introduction

Internet is now more crowded in access to the wider community, especially developing countries because it can be accessed with mobile devices and computer tablet (Nielsen, 2016). Kotler and Amstrong (2012) stated that the company is now able to reach consumers with two-way communication through the presence of social media in the

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community. Company can more easily attract public attention both in product branding and employer branding by using internet and social media.

Employer Branding International conducted a survey in 2014 with samples from each of the 5 contingents in the world. The results found that there were 76% of companies chose to use social media as a medium to communicate their employer branding in order to get potential candidates (employerbrandinginternational.com, 2014). Recruiters found that social media helps them to select the candidate pool more effectively and quickly to get qualified applicants for the job, 36% job seekers use LinkedIn to apply for a job while 94% recruiter use LinkedIn as media to search talent (King, 2017).

One study found that potential individuals considered the organization's image to their needs, personality and values (Sivertzen *et al.*, 2013). If the company's image matches their needs, personality and values, then prospective applicants will be interested to apply for. Wilden *et al.*, (2010) argued that there were relatively several studies conducted to know the role that branding plays an interest to employees. As employer branding progresses and employer attractiveness increase in the eyes of job seekers, it is expected to improve the quality of a company's recruitment

LinkedIn as one of the social media was used by several companies for their employer branding, LinkedIn user growth significantly increases year by year (Rosoff, 2016). Furthermore, LinkedIn have several benefits for jobseeker to establish their connection and display their work (Fertig, 2016). LinkedIn now has more than 500 million users, with 40 million students and recent college graduates on LinkedIn (Aslam, 2018). LinkedIn finally revealed their number of users in Indonesia, it claimed to reach more than 8 million users or members as of April 25, 2017 (*Kumparan*, 2017)

In 2015, about 3.3 million people applied via a social network. About 62% of them applied via a social network were submitted via profiles from LinkedIn, 22% via Google, and 17% via Facebook (Kacsmar, 2016). LinkedIn as one of Schneider Electric media for employer branding showed that now Schneider Electric has 1 million followers. From a research which was conducted by LinkedIn, in 2017, Schneider became LinkedIn Top Companies 2017: Global Edition at 23rd rank (Roth, 2017), The research showed that Schneider Electric has a good reputation in the eyes of jobseekers.

Schneider Electric has launched a program for fresh graduate students called Energy Generation Program (EGP), This program was intended to give proficient instructional classes and hands on experience in different capacities that official needs to nearly bargain his/her day by day administration in the meantime breath life into it by means of particular task allocated in the chosen field.

- There was a decreasing applicant in 2016 to 2017 at Energy Generation Program by Schneider Electric Indonesia.

- Indonesia has become top 10 countries that have most engineering graduates (Forbes, 2015)

- LinkedIn data showed that Schneider Electric became top 100 companies that attracted to the employer based on LinkedIn Top Companies 2017: Global Edition at 23rd rank (Roth, 2017)

- This showed that there is a discrepancy between intention to apply with the employer attractiveness, corporate reputation, the use of social media and intention to apply for.

Limitation

The study limits the population only to fresh graduates in Engineering in several universities located in Java and the use LinkedIn as one of social media. Fresh graduate is a college graduate and preparing to enter the world of work (Adhyaksa & Rusgiyono, 2010). This limitation was done because this study was conducted based on problems faced by Schneider Electric Indonesia in creating more effective employer branding strategy. As an electrical manufacturing company, Schneider Electric Indonesia targets fresh graduate with engineering education backgrounds in electrical engineering, mechanical engineering and industrial engineering as the main target for recruitment needs.

Literature Review

Employer Attractiveness

The conceptual construction of employer attractiveness is thought to be the earliest concept of a more common brand equity employer concept. In other words, the more attractive the employer according to potential employees, the stronger the employer's brand equity of the organization (Berthon *et al.*, 2005).

One way of measuring employer attractiveness is to use the EmpAt scale defined by (Berthon *et al.*, 2005). In the EmpAt there are 25 items of questions that are divided into 5 factors of structure / dimension of interest value, social value, economic value, development value, and application value. These five dimensions are the development and improvement of the three dimensions of employer branding initiated by Ambler and Barow (Sivertzen *et al.*, 2013). Interest value and social value factors come from their psychological benefits; factor development value and application value development of functional benefits; and both operationalities have economic definition namely economic value.

Corporate Reputation

Corporate reputation is defined as a perception of what a company has done and the prospect of a future company that explains the company's attractiveness compared to its competitors (Dowling & Moran, 2012). Dowling and Moran (2012) explained that a company can form an excellent reputation by showing consistent behavior that is reflected in results that are known and valued by stakeholders.

The more attractive a company, it will strengthen the relationship between corporate attributes and job characteristics to intention to apply for a job. Other studies also found

that intention to apply for a job is positively associated with corporate reputation (Wang, 2013). Furthermore, he stated that the better the reputation of a company, the higher the level of Intention to apply for a job.

Corporate reputation divide into 6 dimensions of by Wiedmann *et al.*, (2013) that is:

Citizenship

The citizenship dimension alludes to the positive impact on society which a specific brand gives to the buyer

Governance

Governance represents the level of a brand's openness and transparency. This dimension additionally identifies with the brand's moral conduct and way of directing business.

Innovation

The key component of innovation tends to a change and innovation angle. Such brands dispatch innovative items and services, and adjust rapidly to change.

Performance

Performance represents achievement and solid development prospects. Brands with a decent achievement produce benefit and positive money related outcomes, and make an incentive for the clients

Workplace

The organization can be depicted as having a collegial environment. Such brands advance their workers' prosperity and offer equal openings.

Product

Identified with a positive cost/quality ratio, this component centers around viewpoints like fantastic, value for money, and clients' needs and expectations.

The company's super brand is the trust and support of the public that flows from one's assessment of the company's reputation. Lai *et al.*, (2010) suggested that corporate reputation is measured to the extent that the public thinks about the company, and whether they value the company as honorable, worthy, and meritorious than its competitors.

Social Media

Social Media is characterized as an online administration that enables one to shape public or semi-public profiles inside a restricted system, communicate with other people's profiles, and explore other people's profiles within one such system (Boyd & Ellison,

2008). Kaplan and Haenlien (2010) defined social media as a group of internet-based applications based on ideology and web 2.0 technology and is able to create and exchange information from its users. Generations X and Y are often referred to as Wired Generation has a variety of ways to communicate (Kaur, 2013). But if the company wants to get in touch with Y generation, the most effective way is through social media (Kaur, 2013). Important features offered by social media include participation, openness and information sharing.

Social media provides a virtual networking place where everyone can freely express opinions, exchange opinions, share experiences, spread and control messages whenever and wherever. Nowadays, marketers can easily reach consumers and communicate with them through social media. Many companies are beginning to focus on the use of social media as one of the promotional and marketing strategies. Social media offers a simple, practical method for correspondence, particularly in advancing both an organization's items and services.

Expanded connection amongst companies and employment candidates through online networking is extremely useful for the two parties. Employment candidates can introduce themselves to the company before the real recruitment process starts and show essential data about themselves. While the company gets more applications from a more broad choice of competitors and gets early introduction from work competitor (Brecht et al., 2011).

Social Media was divided into 2 dimensions by Plummer *et al.*, (2011) that are:

1. Behavioral Intentions

The intention to use the system with period of time.

2. Performance Expectancy

The extent to an individual trusts the framework will encourage him or her to achieve picks up in job performance. products or services.

Intention to apply for a job

Intention to Apply for a Job has often been closely based on its relationship to work choices and organizational attraction (Gomes & Neves, 2011). A person's intentions in applying for jobs tend to increase if they see the company as a company that has quality standards, values and norms they deem important (Tsai *et al.*, 2013). Researches on job options are usually focused on understanding the recruitment process that results in employee decision on job vacancy (Gomes & Neves, 2011). According to Gomes & Neves (2011), the importance of the role of the recruitment process in research on employment choices has led to more focused research in viewing the contribution of the Intentions to Apply for a Job to research on employment choices. In addition, other studies have also found that the methods and tools used in the recruitment process also play an important role for one's intentions to apply for employment (Madera, 2012).

Theoretical Framework

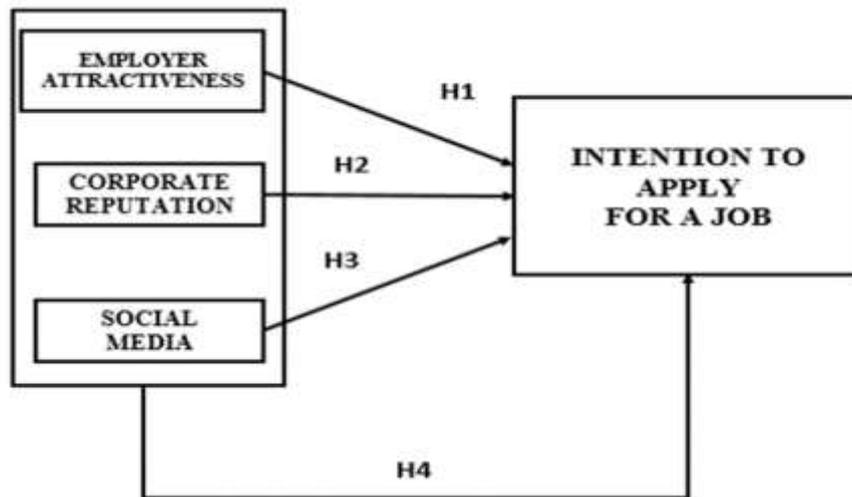


Figure 1 Theoretical Framework
Adapted from Sivertzen, Nilsen, & Olafsen, (2013)

As it can be seen in Figure 1, this research focused on the influence of employer attractiveness, corporate reputation, and social media towards intention to apply for a job at Schneider Electric Indonesia. There were four variables in this context, consist of dependent variable which is intention to apply for a job and independent variables such as employer attractiveness, corporate reputation and social media.

Hypotheses

Hypothesis is a statement to be proved in a research. Generally, hypotheses are made before doing any research to obtain an understanding of the general rules Bulajic et al., (2012). Based on theoretical framework above, the study constructed the hypotheses:

H₁: There is a significant influence of employer attractiveness toward Intention to apply for a job at Schneider Electric Indonesia.

H₂: There is a significant influence of corporate reputation toward Intention to apply for a job at Schneider Electric Indonesia.

H₃: There is a significant influence of the use of social media toward intention to apply for a job at Schneider Electric Indonesia.

H₄: There is a simultaneously significant influence of employer attractiveness, corporate reputation, and the use of social media toward Intention to apply for a job at Schneider Electric Indonesia.

Methodology

Participants and Sampling

The respondents in this research were limited to the fresh graduates in the faculty of electrical engineering, machinery and industry from several leading universities in Java, Indonesia. This study used quantitative methods focusing on analysis and analyzed the data from questionnaire. In quantitative methods are usually data collection using research instruments, random sampling techniques, and statistical data analysis that aims to test the hypothesis that has been set. The study used 100 respondents as the sample size, based on Kharis (2011) in determining the unknown sample. The reason for using the formula is because the population number is unknown for certain.

This study used non-probability sampling method with purposive sampling technique. According to Kumar (2014), this non-probability sampling method is used when the population number is unknown or too much. The questionnaire was distributed via online survey questionnaire platform (www.google.com/forms) and collected 100 respondents from fresh engineering graduates.

Questionnaire

The questionnaire used in this study consists of two parts. The first part described about general information related to the respondents which were: gender, fresh graduate, social media, universities and faculty. The second part consisted of 25 statements which are related to employer attractiveness, corporate reputation, social media and intention to apply for a job, constructed based on (EmpAt) scale defined by (Berthon *et al.*, 2005) Corporate Reputation into 6 dimensions of by Wiedmann *et al.*, (2013), Social Media divide into 2 dimensions by Plummer *et al.*, (2011) and Intention to apply for a job divide into 2 dimensions applicant attraction and applicant intention by Birgelen *et al.*, (2008)

The statements were designed such as: statements 1-5 on employer attractiveness; statements 6-12 on corporate reputation; statements 12-17 on social media; statements 17-20 on intention to apply for a job. The 5-Point Likert Type Scale was applied on this research. This tool was to quantify the level of agreement from the respondent and variable value to be appeared in type of number so it could be investigated precisely, productively, and more informative (Djaali, 2008). In this study, a 5-point Likert Scale ranging from 1 (strongly disagree), to 5 (strongly agree) was adopted.

Results

Sample Profile

80 respondents out of 100 respondents were male (80%) and 20 respondents out of 100 respondents were female (20%). Therefore, the majority respondents were male. 62 respondents (62%) were from electrical engineering, 22 respondents (22%) were from mechanical engineering, 16 respondents were from industrial engineering (16%), Therefore, the respondents in faculty of electrical were dominating for this research. 100% of the respondents were Fresh graduated who used LinkedIn.

Employer attractiveness, Corporate Reputation and Social media towards Intention to Apply for a Job

In this study, employer attractiveness, corporate reputation and the use of social media were the independent variables and intention to apply for a job was the dependent variable. Regression analysis and coefficient of determination (R^2) were performed by considering five constructs of consumer decision-making styles. The results from the analysis of each variable of employer attractiveness, corporate reputation, and the use of social media towards intention to apply for a job are shown in Table 1 and the testing results for the variables of employer attractiveness, corporate reputation and social media towards intention to apply for a job are shown in Table 2:

Table 1. Regression analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.877	0.466		1.886	0.062
Employer attractiveness	0.288	0.097	0.286	2.968	0.001
Corporate Reputation	0.466	0.119	0.381	3.937	0.000
Social Media	0.041	0.098	0.044	0.426	0.521

Dependent Variable: Intention to apply for a job

Table 2. Anova
ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	49.673	3	16.558	40.078	0.000 ^b
	Residual	39.661	96	0.413		
	Total	89.333	99			

a. Predictors: (Constant), Employer attractiveness, Corporate reputation, Social media

b. Dependent Variable: Intention to apply for a job

The study showed that there is significant influence between employer attractiveness, corporate reputation, and intention to apply for a job partially; but there is no partially significant influence between the use of social media and intention to apply for a job. In addition, according to Table 2, it was found that there is simultaneously significant influence between employer attractiveness, corporate reputation, the use of social media, and intention to apply for a job. Consequently, Hypothesis 1, Hypothesis 2, and Hypothesis 4 were accepted; While Hypothesis 3 were rejected.

Table 3. Coefficient of Determination (R^2)
 Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.746 ^a	0.556	0.542	0.64275	1.812

a. Predictors: (Constant), Average_EA, Average_CR, Average_SM,

b. Dependent Variable: Average_IJ

Based on the Table 3 above, it was found that the value of R square obtained is 0.542 or 54.2%. This number represents that intention to apply for a job which can be explained by the variation of employer attractiveness (X_1), corporate reputation (X_2), the use of social media (X_3) or all independent variables contributed as many as 54.2% to intention to apply for a job. The rest 45.8% of intention to apply for a job is influenced by other factors which are not examined in this research.

Discussions

The Influence of Employer Attractiveness toward Intention to apply for a job at Schneider Electric Indonesia

As it is shown in Table 1, employer attractiveness has a significant influence toward intention to apply for a job, with the value of .001 which is lower than 0.05. Employer attractiveness has significant influence toward intention to apply for a job. This significant influence explains that employer attractiveness is able to strengthen potential employee intention to apply at Schneider Electric Indonesia. The result of this research is in accordance with Gomes and Neves, (2011). These previous researchers have found that Employer Attractiveness has significant influence toward intention to apply for a job.

The Influence of Corporate Reputation toward Intention to apply for a Job at Schneider Electric Indonesia

Corporate reputation has significant influence on intention to apply for a job. As it can be seen in Table 1, corporate reputation has significant value with .000 which is lower than 0.05. This significant influence explains that corporate reputation is able to strengthen intention to apply for a job at Schneider Electric Indonesia. The result of this study is in accordance with Wang *et al.*, (2013) and Sivertzen *et al.*, (2013) which corporate reputation significantly influences with the quantity and quality of job applicants.

The Influence of the use of Social Media toward Intention to apply for a job at Schneider Electric Indonesia

Based on Table 1, Social media has no significant influence toward intention to apply for a job at Schneider Electric Indonesia. The table shows that the use of social media has .521 significant value which is higher than 0.05. No significant influence explains that social media is not able to strengthen intention to apply for a job at Schneider Electric

Indonesia. The intention to apply for a job is lower if it uses social media. This result is in accordance with Plumer *et al.*, (2011) and Madera and Chang., (2011).

There is a simultaneously significant influence of Employer Attractiveness, Corporate Reputation, and the use of Social Media toward Intention to Apply for a Job.

On Table 2, it shows that employer attractiveness, corporate reputation, and social media, LinkedIn have .000 of significant value and it means that those factors significantly influence intention to apply for a job at Schneider Electric Indonesia. From the test result it shows that 54.2% of intention to apply for a job is affected by employer attractiveness, corporate reputation, and the use of social media and the rest influence by other factors.

Conclusion and recommendation

Intention to apply for a job are influenced by employer attractiveness and corporate reputation. The influence means that employer attractiveness and corporate reputation is able to strengthen intention to apply for a job, while the use of social media, LinkedIn is not able to strengthen intention to apply for a job. The result showed that corporate reputation and employer attractiveness influenced the intention to apply for a job to fresh graduate emphasizes that the company can focus more on innovation and company development. This study suggested the need for companies to maintain good quality standards for products and employee needs. Benchmarking with competitors needs to be more carefully designed in order to maintain competitive corporate reputation. In addition, product quality is the organizational culture that prioritizes well-being employees, transparency of financial statements, as well as services to consumers and sensitivity to the surrounding environment. For the use of social media, LinkedIn the company has to be updated the profile so it will make the potential employee interested to follow or apply for a job.

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