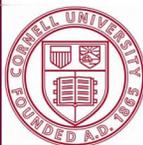


IS YOUR COMPANY ONLY AS GOOD AS ITS REPUTATION? LOOKING AT YOUR BRAND THROUGH THE EYES OF JOB SEEKERS

Key Findings

- The researchers found evidence that the repetition of messages over time has a cumulative positive effect, suggesting that providing multiple messages to job seekers is better than a single message. Also, compared to repeat low information recruitment practices (such as exposure to a company's logo), repeated exposure to high information practices (for example, detailed messages from a corporate recruiter) were more effective for changing an unfavorable employer reputation over time.
- Companies can use both high and low information recruitment messages to improve job seekers' unfavorable perceptions of a company's reputation as an employer, but high information messages seem to have a more positive impact than do low information messages.
- Regardless of either low or high information recruitment messages, job seekers who were more familiar with the organization at the start of the study were less likely to change their perceptions of the organization than job seekers who knew less about the organization. In other words, strongly held negative beliefs about an employer may be harder to change than are less favorably formed beliefs.
- The high information message has a positive impact on employer reputation perceptions in the first exposure, helps to maintain that positive boost in the second, but the third exposure seems to counteract the initial boost.



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Topic: Employer Reputation

One of the most important factors influencing a firm's ability to attract a large and high-quality applicant pool is the company's "employer reputation" — its reputation as a place to work. Firms with unfavorable employer reputations receive substantially fewer and lower quality job applications than firms with more favorable employer reputations.

For instance, prior research has found that firms with less favorable employer reputations received 50% fewer, and lower-quality, job applications from undergraduate and graduate business students than firms with more positive employer reputations.

Because of the potential damaging effects of a negative employer reputation, understanding whether an organization can change a negative employer reputation is an important and practical problem facing many organizations.

High Versus Low Information

Researchers looked at the impact of two alternative recruitment message strategies that have been identified in the literature and hypothesized differences:

- *high information recruitment messages*, which attempt to influence job seekers through detailed messages about the company, and
- *low information recruitment messages* which are thought of as mere exposure where companies look to influence consumers subconsciously by creating awareness through repeated exposure to the company's logo and/or positive images associated with its name.

Theory and Hypothesis

Previous research in the applicant attraction literature has drawn on the

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marketing literature on consumer-based brand equity theory to argue that employer reputation is an important dimension of employer knowledge that may impact job seekers' application behaviors. "Organizational employer reputation" refers to a job seeker's perception of how others view an organization as a potential employer.

In contrast to *general reputation*—which is often associated with financial performance indicators — employer reputation refers specifically to the company as a place to work and is more strongly related to job application decisions than is general reputation. There is growing evidence that employer reputation is significantly related to job seekers' application intentions and decisions.

Employer reputation influences application and job offer decision behaviors because these perceptions influence job seekers' beliefs about specific job and organizational characteristics that may be harder to observe, especially for job seekers early in the search process. Additionally, employer reputation may have spillover effects on an individual's perceived social status. Specifically, job seekers may be more attracted to companies with positive employer reputations because being recruited or hired by an organization with a favorable employer reputation can lead to increased feelings of pride and self-esteem.

Low information recruitment messages are designed to influence consumers by creating awareness and general positive feelings toward the organization and its products through repeated exposure to the company's brand with simultaneous exposure to positive images. The best example may be beer commercials where the advertisement pictures a group of people having fun while holding the product in their hands. In effect, no real information about the product is communicated other than the brand or logo and the positive images surrounding the people in the ad. The mere exposure can create subconscious positive connections to the brand which later influence the consumer at the time of a purchase decision. Similarly, job seekers may develop more positive beliefs regarding an employer's brand when exposed to low information recruitment messages that create greater awareness, and job seekers use their heightened awareness as a signal of potentially positive attributes. Low information messages do not, however, provide enough information to contradict existing beliefs and change job seekers' preconceived ideas.

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High information messages, on the other hand, provide detailed, positive information about the company — these messages provide information that deepens general positive beliefs by providing detailed messages that replace unfounded beliefs about the product. A popular way to target consumers with these types of messages involves providing more detailed information about key product features or attributes that are desired by consumers and may differentiate the product in unique ways from the competition. High information recruitment practices are expected to have similar effects on job seekers with the expectation that they have a greater potential to change unfavorable employer reputation over low information recruitment messages. These high information practices are expected to reinforce positive beliefs about the organization by providing more details about positive aspects of the company or work or by overcoming slightly negative beliefs about the company by providing the candidate more detailed positive examples of the company's culture, work environment, or actual type of work that is done.

Method

Participants in the study were undergraduate students with an average age of 20 years who were enrolled in an introductory human resources management course and who agreed to take four surveys. The study began with 222 members, with 213 of them completing all four time periods, thus, representing a 96% retention rate through the four weeks.

All students who began the study were included in the data analyses. The sample was 46% female and ethnically diverse, with 69% of respondents self-categorizing as White/Caucasian, 12% Asian/Pacific Islander, 10% Hispanic/Latino, and 9% African American. Seventy-four percent of students reported having actively searched for a job in the past six months.

Results and Takeaways For Companies

Table 1 on page 5 describes the recruitment messages administered to job seekers in different experimental groups across the four time periods.

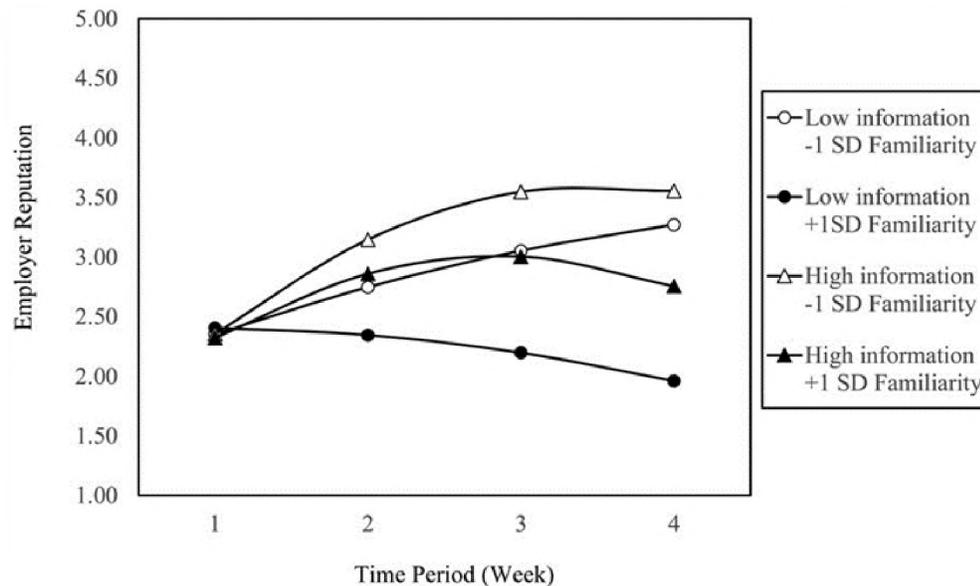
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Figure 1


Overall, the researchers found that the employer reputation, on average, became more positive over the course of the study. Because this study was a longitudinal randomized experimental study using a real organization, it provides evidence that reputation beliefs may be malleable through recruitment messages. Given that employer reputation has been linked to actual application decisions, the present findings are encouraging for organizations with unfavorable employer reputation and suggest that repeated recruitment messages may improve job seekers' unfavorable perceptions. Further, the results supported the researchers' hypotheses that, in general, high information recruitment messages are more likely to be helpful in positively altering job seekers' negative perceptions of employer reputation compared to low information recruitment messages.

High information Recruitment Messages and Low Familiarity Companies

Importantly, the researchers found that high information recruitment messages had the greatest impact on changing perceptions of employer reputation for those companies that were less familiar to job seekers. Seemingly, job seekers will have a

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less developed set of perceptions about employers with whom they are less familiar, making these perceptions more malleable and increasing the potential persuasiveness of the content contained in high information recruitment messages. That is, when job seekers have less developed perceptions, they seem to be more open to being influenced by the content in the high information recruitment messages and this information can provide the background content for creating a large positive shift in the job seekers' impression of the company.

High information Recruitment Messages and High Familiarity Companies

Much as with low familiarity companies, companies who are well known by job seekers can also shift negative perceptions of employer reputation by using high information recruitment messages. However, the impact of high information recruitment messages are not as strong for familiar companies and there seems to be a diminishing impact of continued repetition of the high information message over time. Potentially the message creates an initial boost to an unfavorable reputation in the first exposure that is reinforced by the second exposure by providing job seekers detailed information that contradicts their negative impressions, however, they may see continued repetition of this same message as desperate or a marketing ploy leading to a return to the original negative perception. This might suggest that highly familiar companies would want to either limit how many times they repeat the same high information message or look to provide new content each time they send a message to job seekers.

Low information Recruitment Messages and Low Familiarity Companies

Surprisingly, the researchers found that, when repeated over time, the low information recruitment message was a powerful way to improve the negative employer reputation of companies with low familiarity. Much like with product brand marketing campaigns, it seems that exposing job seekers to the company logo and positive general images creates a positive generalized feeling about the company that gradually improves job seekers negative perceptions about the employer when those job seekers are likely to have only a loosely

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developed set of impressions about that company (i.e., when the company has low familiarity). Strikingly, job seekers in this condition had the second largest positive increase in their perceptions over time, suggesting that lower familiarity companies can potentially turn around negative perceptions of their company through low information recruitment messages.

Low Information Recruitment Messages and High Familiarity Companies

As anticipated, low information messages had no initial impact on changing job seekers' negative employer reputation perceptions of highly familiar companies as, theoretically, these low information messages do not provide enough content to change more deeply held beliefs. What was surprising is that continued exposure to low information messages had a negative effect on reputation such that job seekers saw highly familiar companies in a more negative way each time they were exposed to the low information message. There is a potential that the exposure either helped to reinforce existing negative beliefs or that the job seekers were increasingly irritated by seeing the logo and general images of a company for which they had a well-established negative opinion. Certainly, this would suggest that highly familiar companies would not want to pursue this line of recruitment messaging to change negative perceptions about their company as an employer.

Conclusion

Overall, the study findings provide evidence that both low and high familiarity companies can do something positive to change job seekers' negative perceptions about them as an employer. This task seems most easily accomplished for those companies that are less familiar to job seekers and where job seekers may not have more deeply held beliefs about them as an employer. While highly familiar companies can also positively impact unfavorable impressions, the story is a bit more cautionary — that firms should try to use high information recruitment messages but not repeat the messages too frequently.

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The Center for Advanced Human Resource Studies (CAHRS) is an international center serving corporate human resources leaders and their companies by providing critical tools for building and leading high performing HR organizations. CAHRS' mission is to bring together partners and the ILR School's world-renowned HR Studies faculty to investigate, translate and apply the latest HR research into practice excellence.

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