

Enhancing Employer Branding Through Corporate Innovation and Web Communication

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Abstract: The primary purpose of this empirical research is to show how a company's attractiveness can be influenced by its corporate innovative culture, high-quality standards attitude, and web-based communication and interaction with candidates. The research hypotheses were investigated in senior students and young graduates of Greek universities in order to propose an effective pre-recruitment employer branding strategy which causes positive effects in a company's talent pool. The Structural Equation Modeling (PLS-SEM) software was used on a convenient sample of 737 individuals from Greek universities. Overall, the study's findings point to a company's innovative nature and orientation, which are reflected across the full range of its business activity, as a crucial factor for candidates who are interested in learning more about employment opportunities there. This is accomplished through communication media that are popular among young job seekers, such as the corporate website and social media. In this way, based on web info, candidates are able to obtain not only detailed information, but also signs with a strong symbolic effect, thus shaping positive perceptions of the company as a potential employer. Especially in a university setting, at the initial stage of candidate recruitment our results highlight the importance of the dual dimension of relevant communication, i.e. the information about jobs as presented on the corporate website and social media of the company, and the way these media communicate with job seekers. Furthermore, the findings of our study have significant implications of how a company's HR departments should plan and organize their presence in Greek Universities in order to improve corporate positive image and attractiveness among passive and active candidates. Despite methodological and contextual limitations, this paper aims to enrich the pre-recruitment literature by presenting significant theoretical and managerial implications.

Keywords: innovation, employment web-information, web approach, employer attractiveness

1. Introduction

The Recruiters' War for new talent is evolving today within universities where battles are being fought to enhance corporate reputation and attractiveness (Collins and Han, 2004). To achieve those desirable outcomes, companies design and implement their unique Employer Brand strategy with certain and different instrumental and symbolic corporate values (Lievens, 2007). Research has shown that encouraging corporate innovation and high quality standards in every business function influences candidate perception, particularly when the target population is the passive and active candidates for entry-level employment vacancies. (Berthon *et al.*, 2005; Bellou *et al.*, 2015; Arachchige and Robertson, 2011). Furthermore, the adoption of web communication channels, where online information and web interaction influence the thoughts and attitudes of job seekers, could become crucial factors of a company's attractiveness (Allen *et al.*, 2007).

2. Conceptual framework

In today's labor market, where employers compete to attract and retain high quality human capital, the need for a company to differentiate itself as a deliverable employment choice is a one-way street (Eger *et al.*, 2019). This could be accomplished through the formulation of the employer value proposition (E.V.P.), which contains all the characteristics that potential and existing employees assess in a company in order to seek career opportunities and to remain in its workforce (Backhaus and Tikoo, 2004).

It was in 2005 that Berthon *et al.* (2005) developed the scale measuring the attractiveness of a company as an employer of choice, enriching the corresponding Ambler and Barrow's (1996) original scale of 3 dimensions-criteria for employer selection. This new scale, known by the abbreviation "EmpAt" was adopted in the following years by a large number of researchers worldwide and applied to both student and employee populations, investigating the factors of attractiveness of a company in both groups (Arachchige and Robertson, 2013; Sivertzen *et al.*, 2013; Eger *et al.*, 2019). According to Berthon *et al.* (2005), there are five factors that shape the Employer Brand of a company, as namely the identity of an organization as an employer of choice is called: interest value, social value, economic value, development value and application value.

In particular, interest value, which focuses on innovation, is a key attractiveness factor especially for the “Z” generation of prospective employees (Sommer *et al.*, 2016; Pandita, 2021). In addition, the high quality of products and services is another component that arouses interest among both the active and passive candidates of younger generations (Eger *et al.*, 2019).

Given the above, we attempt to investigate the following hypothesis:

H1. Interest value that reflects both corporate innovativeness and high quality of product/services, as a company’s Employer Brand dimension, relates positively to company’s Attractiveness.

In the formulation of the company's Employer Brand identity, instrumental and symbolic attributes coexist to shape its positive image and its reputation in society as an excellent working environment (Lievens and Highhouse, 2003; Melin, 2005). According to Signaling Theory, as candidates do not have access to information about the daily working life in a company, they look for information and insight from various sources to evaluate the company as an employer (Breugh, 2008). The "employment" section in the company's website and the advertisements of career opportunities on its own social media provide signals with both practical and symbolic dimensions, which contribute to enhancing attraction to the company (Carpentier *et al.*, 2019).

In addition, detailed information about job offers, the display of images from the employee experience and the way the company addresses the candidate through its web communication tools, enhance the positive image of the company as a good working environment (Sivertzen *et al.*, 2013). Collis and Stevens (2002) demonstrated in their research the positive relationship between the advertisements (ads) of a company's available job vacancies and the enhancement of its attractiveness to the student population. The detailed information included in job ads helps to gain the necessary knowledge about the company so that people can assess whether they would like to work there in the future. Nowadays, when the information process has moved from bulletin boards to online corporate settings, the company's website and social media are an important area of information and awareness of the company's image as an attractive employer (Cable and Turban, 2003).

In light of the above, we can draw the following four research hypotheses:

H2. Interest value that reflects both corporate innovativeness and high quality of product/services, as a company’s Employer Brand dimension, relates positively with searching information about employment vacancies (job site ads) in a company’s career site.

H3. Interest value that reflects both corporate innovativeness and high quality of product/services, as a company’s Employer Brand dimension, relates positively with the approach of the candidate in the company’s web environments.

H4. Information about employment vacancies (job site ads) in a company’s career site relates positively with the approach of the candidate in the company’s web environments.

H5. The approach of the candidate in the company’s web environments, relates positively to its attractiveness, in potential candidate population.

3. Methodology

3.1 Sample and Procedure

In the present survey, conducted in spring 2021, 737 electronic questionnaires were collected from students and young graduates of Greek universities. The snowball sampling technique was used to collect the responses, through which the questionnaire was promoted, and data from a wide range of studies and specializations were collected.

3.2 Measures

All survey data measured using a five-point Likert-type scale ranging from 1 = strongly disagree to 5 = strongly agree. Additionally, an “Exploratory Factor Analysis (EFA) was conducted via SPSS v.22 (“maximum likelihood extraction method”; “promax rotation”; “cutoff value=0.50”).

3.2.1 "Interest Value"

Interest value was assessed by three items, based on the five item scale originally developed by Berthon *et al.*, (2005). These items focused on company's innovativeness and high quality standards. Samples include "The organization produces innovative products and services" and "The organization produces high-quality products and services". Cronbach's alpha was 0.729.

3.2.2 "Job Site Ads"

The information concerning the job vacancies presented in a company's website (career section) was assessed using a three - item scale developed by Carpentier *et al.*, (2019). Sample items include: "I would like to work in a company whose website provided useful information to evaluate a potential employer" and "I would like to work in a company who gives me an accurate view of the organization". Cronbach's alpha was 0.865.

3.2.3 "Web approach"

Candidate "Web approach" is the way that a company chooses to interact on its web channels, namely the website and social media. This approach was measured with the three items of "Social presence" in the Carpentier *et al.*, (2019) measurement model. Sample items include: "I would like to work in a company whose social media pages addressed me in personal manner" and "I would like to work in a company whose website approaches me in a warmly/friendly way". Cronbach's alpha was 0.864.

3.2.4 "Company Attractiveness"

The company's attractiveness as an employer was assessed by two items remained after the EFA analysis, based on the five item scale originally developed by Highhouse *et al.*, (2003). Those two items were: "I am interested in learning more about this company" and "A job in this company is very appealing to me". Cronbach's alpha was 0.789.

3.3 Statistical Analysis and analytical procedures

In assessing our model, we used Structural Equation Modeling (SEM) with the use of SmartPLS 3.0 software (Ringle *et al.*, 2015). In the Figure 1 we present the conceptual framework of the proposed model.

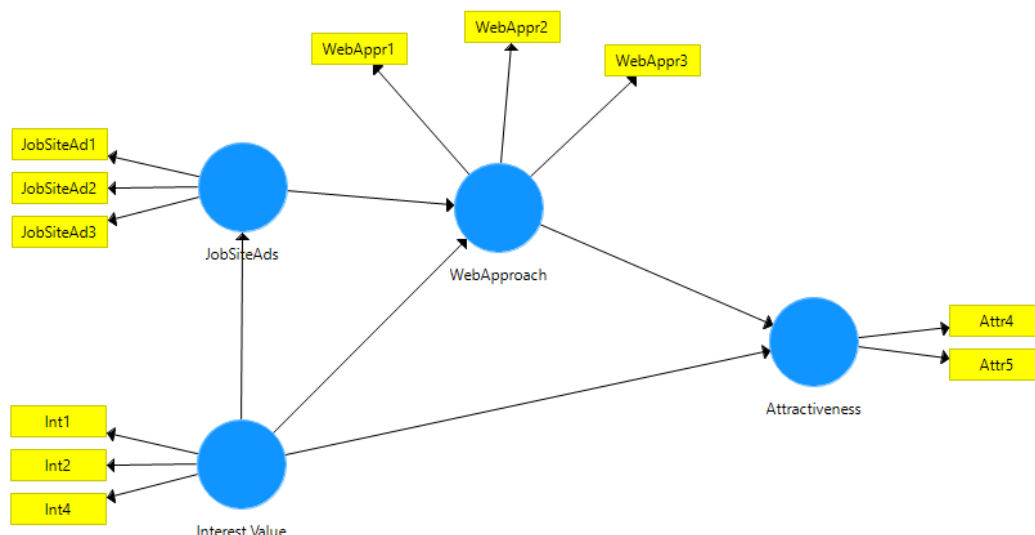


Figure 1: The conceptual framework

4. Results

All factor loadings were above the 0.5 threshold whereas Composite Reliability (CR) scores above the threshold of 0.50 and Average Variance Extracted (AVE) scores above the threshold of 0.70 in three of the four variables (one scores at 0.649). Hence, convergent validity was established. Regarding discriminant validity, we use two criteria available in SmartPLS (Henceler *et al.*, 2015), namely the "Fornell-Lacker criterion" and the "Heterotrait-Monotrait ratio" (HTMT<0.85). According all the results, discriminant validity was also achieved.

In analyzing the structural model, we apply the bootstrapping procedure (2000 randomly drawn samples with replacement). The path coefficients with their significance level and the P-values of the inner model structure are depicted in Figure 2.

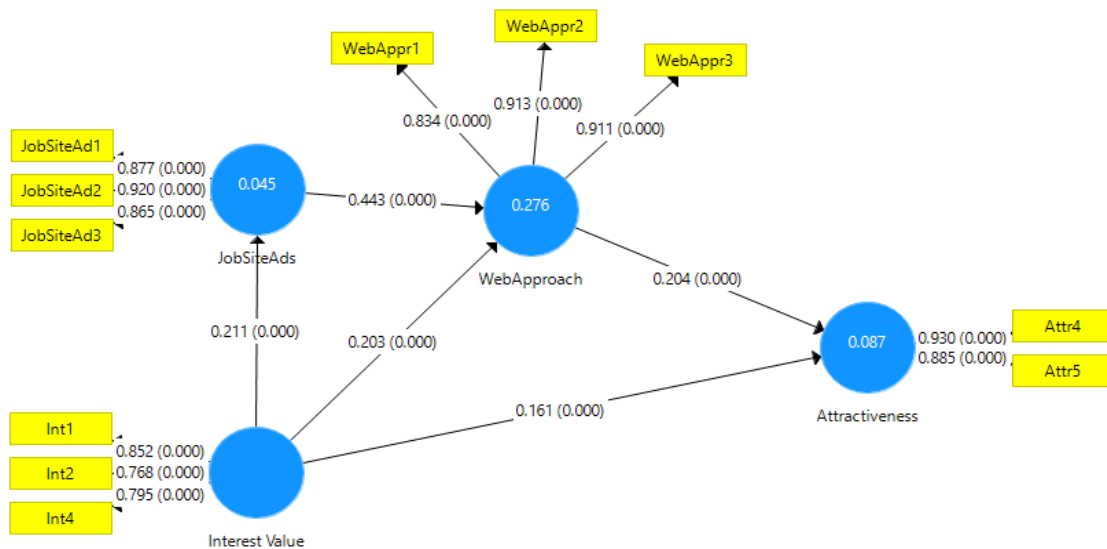


Figure 2: The Structural Model

Furthermore, Table I presents the “means”, “standard deviations”, “reliabilities” (in parentheses) and “bivariate correlations” among the study variables. As demonstrated in Table I, all the Cronbach’s alpha coefficients were greater than 0.70, while two were greater than 0.80 confirming that internal consistency reliability of the proposed model was excellent.

Table I: Means, SDs and correlations (Cronbach’s α is in parentheses).

	Mean	SD	1	2	3	4
Attractiveness	4.44	0.62	(0.789)			
Interest Value	4.27	0.60	0.222**	(0.729)		
JobSite Ads	4.20	0.66	0.292**	0.211**	(0.865)	
Web Approach	3.63	0.78	0.252**	0.297**	0.486**	(0.864)

Note: N=737, SD: standard deviation

*indicates significant paths: *p<0.05, **p<0.01, ***p<0.001, ns= not significant

Table II presents the model’s path coefficients along with their levels of significance. Overall, Table II shows that Interest value which reflects the company’s innovativeness and high quality standards is positively related to both company’s attractiveness as an employment destination ($\beta = 0.161, p < 0.000$), JobSite Ads ($\beta = 0.211, p < 0.000$) and the candidate’s Web Approach ($\beta = 0.203, p < 0.000$) and thus supporting Hypotheses 1, 2 and 3. Similarly, JobSite Ads is significantly related to candidate’s Web Approach ($\beta = 0.443, p < 0.000$) supporting hypothesis 4. Finally, hypothesis 5 suggests that candidate’s Web Approach positively related to the company’s Attractiveness as an employer ($\beta = 0.204, p < 0.000$) thus supporting the hypothesis 5.

Table II: Summary of Path Coefficients and Significance levels

Direct Hypotheses and Corresponding Paths	Path Coefficient	T-Statistics	Hypothesis Support
Interest Value -> Attractiveness	0.161	3.901***	H1 supported
Interest Value. -> JobSite Ads	0.211	4.391***	H2 supported
Interest Value -> WebApproach	0.203	5.483***	H3 supported
JobSite Ads -> WebApproach	0.443	12.421***	H4 supported
WebApproach -> Attractiveness	0.204	4.864***	H5 supported

*indicates significant paths: *p<0.05, **p<0.01, ***p<0.001, ns= not significant

Additionally, from the model's analysis we extract some interest findings that we take into consideration in our result interpretation although we had not included them in our hypotheses. First of all, Jobsite Ads mediate partially and positively to the relationship between Interest value as a factor of the company's Employer Brand mixture and its web approach as communication strategy concerning the applicant audience. Similarly, it was indicated that web approach of candidates partially and positively mediates the relationship between Interest value and corporate attractiveness as an employer of choice.

In the following section we further discuss aforementioned findings.

5. Discussion and Conclusions

This study looked at how a company's distinctive Employer Brand attributes, such as Interest value and, more specifically, the innovation culture and functionality, affect its ability to attract entry-level candidates as employees. Our findings support the conclusions of previous researches regarding the importance of the Interest value as a dimension of a company's Employer Brand (Lievens and Highhouse, 2003; Berthon *et al.*, 2005; Arachchige and Robertson, 2011; Alniaçik and Alniaçik, 2012; Bellou *et al.*, 2015). Indeed, this feature of innovation and high quality is directly related to the attractiveness of the company as an employer of choice (Roy, 2008; Reis and Braga, 2016) and can be positively or negatively influenced by the candidate's approach to the company's online environments (Sivertzen *et al.*, 2013). Moreover, corporate websites and social media posts focused on career vacancies also influence corporate attraction by presenting instrumental and symbolic characteristics of the employment status in this particular employer (Allen *et al.*, 2007; Carpentier *et al.*, 2019; Carpentier *et al.*, 2017). Thus, they inform students and young graduates about the available positions, promoting details and signals about what it is like to work in this company (Wazed and Ng, 2015; Mičik and Mičudová, 2018). Hence, we conclude that when a candidate considers the criteria of innovation and high quality standards important for the selection of a company as a potential employer, then (if the company has this characteristic) he/she will search on the corporate site for job opportunities in this company. Consequently, if the web approach is friendly and personal, then a positive perception i.e. attractiveness for the company is enhanced (Carpentier *et al.*, 2019). It is also important to notice that this study was conducted in Greece and the target population of passive and active candidates was approached through the career offices networks and the university pages in social media (Facebook, LinkedIn). This means that these respondents, because of their age and academic background, are already familiar with web interaction conditions and prefer this means to identify and evaluate their future employers.

In summary, we believe that our research findings confirm the fact that the attractiveness of a company as an employer of choice is achieved through a targeted corporate employer branding strategy where innovation emerges, as confirmed by many studies and practitioner researches, as a key attraction factor for students and young graduates. Furthermore, the image of a company, which differentiates it from other potential employers and enhances its profile as a desirable work destination, is important to meet the expectations of the new generation of candidates in relation to the work environment they wish to work in. It is equally important that this image should be promoted through the appropriate communication channels, such as the website and social media, which the company uses as a means of informing and interacting with the young job seekers (Woźniak, 2016). On these online environments, the quality and quantity of information about jobs and the way in which these candidates are approached, contribute to building the company's reputation and, ultimately, to enhancing its attractiveness.

Overall, considering all of the above, our research adds to the broader Employer Branding literature and specifically to its external strategy in the pre-recruiting phase when companies are struggling to attract young talent and persuade them to join their pool of candidates. Thus, although we make no attempt to generalize our findings, it is reasonable to argue that innovation and high quality triggers interest and provokes attraction to the young generations of job seekers. In addition, our findings prove the power of web communication tools where information and approach are equally interdependent components when a company aims to attract candidates.

6. Practical Implications

The strategy of each company, is formulated to enhance its reputation and create attraction among the talented workforce of the younger generations, and it should include those special and unique characteristics that shape

its employer value proposition. The innovative mindset and high quality standards in products and services are among the values that young people seek in their working environment. Furthermore, these characteristics should be communicated through appropriate channels, where interaction and personalized communication with job seekers is encouraged. Such channels, of high communication intensity, are the company's corporate website and social media pages.

7. Limitations

Although we achieved the goal of our research to contribute to the research field of employee recruitment, there are some limitations that do not allow us to generalize the results. In detail, the survey was conducted among senior students and recent graduates from Greek universities. It is possible that extending the survey to all student years and to graduates with some significant work experience, e.g. 3+ years, would reveal different values in the relationships and interactions between the controlled variables.

Another limiting factor, with regard to the extent to which the conclusions can be generalized, is that only 'Interest value' was tested as a factor of the employer value proposition. From the literature review, we do know that there are other factors that contribute to the formation of the employer value proposition. In subsequent research, we believe that it would be of particular interest to investigate other factors in the formation of the employer value proposition.

Finally, our own assessment, as a result of HR practices in the population of potential candidates, was only about enhancing the attractiveness of the company to this audience. We think it would be quite interesting to investigate in the future how these practices affect applicants' intentions to apply and actual applications for jobs with the organization.

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