THE CORPORATE IMAGE AS A WEAPON IN THE ATTRACTION OF PROSPECTIVE EMPLOYEES

MeerimAsanbekova
Master Student, Kyrgyz Turkish Manas University, Graduate School of Social Sciences
Azamat Maksüdünov
Assistant Professor, Kyrgyz Turkish Manas University, Faculty of Economics and Administrative Sciences

Abstract

Understanding the role of corporate image as an employer in the process of attraction stage is important for effective selection and recruitment of an organization. There is a good reason to expect that firms with better image attract larger and higher-quality applicants. This research aims to analyze the impact of perceived corporate image on prospective workers' intention to apply for a job. The empirical data were obtained from a sample of 90 undergraduate students studying at Faculty of Economics and Administrative Sciences of Kyrgyz-Turkish Manas University (KTMU). Apart of descriptive statistics,Factor Analysis, Pearson's Correlation and Linear Regression analyses were used to test hypotheses. The results revealed that there is a positive and significant relationship between perceived corporate image and intention to apply for a job. The results invite HR-managers to focus more on the employer image of an organization in order to target talented workers.

Keywords: *Corporate image, intention to apply, Prospective Workers, Job Decision.*

In an economy where capital is abundant, ideas are developed quickly, and people are willing to change jobs often, the most valuable organizational resource is human capital, or the talent of an organization's workforce (Cable & Turban, 2003). Human Capital is believed as a crucial factor that can determine the overall performance and also the future of a company. One of the best ways to attract the best talents to join the company is by selling their corporate image (Leosaputro&Leosaputro, 2014). The concept of corporate image is significant to the recruitment of employees and has captured the attention of practitioners and scholars from various organizational fields. Most of researchers cited many advantages a good image can bring to organization. One of those advantages is that organization with a better image or reputation can benefit from attracting better job applicants (Wei et al, 2016; Chapman et al, 2005). Organizations are looking for new ways to attract highly qualified employees and are now becoming increasingly aware of the importance of their image (Lemmink et al, 2003). Attracting high-performing applicants is a critical component of personnel selection and overall organizational success (Chapman et.al, 2005). Based on this statement, it seems very likely that image perceptions will influence applicants' intentions to pursue employment opportunities at a particular organization.This research suggests that a given job is more attractive to job seekers when the job is offered by an organization with a positive image. Therefore, this study aims to examine the linkage between corporate image and intention to apply for the job. We also purpose to find out is the process that leads to intentions to apply to a job vacancy stronger in situations of positive organizational image.

Review of Literature

Lemmink et al. (2003) investigated the influence of the corporate image (CI) and the company employment image (CEI) on the application intentions. The study surveyed a total of 54 graduate business students at the Maastricht University in the Netherlands. The CI consisted oftwodimensions which are organizational management and short-term experience.The CEI dimensions included job characteristics and organizational extra benefits. The findings showed that both types of images have independent significant positive effects on the intentions to apply. Moreover, CI appeared to have a stronger relationship with application intentions than CEI.

The study by Wei et al. (2016) applied person-organization fit to examine the relationship between an organization's corporate image and a job seeker's intention to apply. The authors further explored how recruitment messages affect the relationship between corporate image and person-organization fit. The target population consisted of fresh graduates from the Institute of Human Resource Management in Taiwan and human resources graduate students who graduated in 2010. The information of real job openings from 28 companies was used as the research data. The results revealed that corporate image relates positively to both intention to apply and person-organization fit and comprehensive recruitment messages strengthen the positive relationship between corporate image and person-organization fit.

Afroze (2016) examined how job advertisement and other recruitment methods develop corporateimage and then how developed corporate image influence talented candidates to apply for the job. The study surveyed fresh graduates, final year students, and new employees through the in-depth interview. The study found the positive corporate image influence the potential candidate's intention to apply for a job. Most of the candidates prefer multinational companies as well as reputed local organization to join because of their positive images. Moreover, the information about the company from different job advertisement influences the candidate's intention for applying in the organizations.

Agrawal & Swaroop (2009) analyzed the effect of employer brand image on the application intentions ofbusiness school undergraduates. The research data was collected from 125 students from five different business schools located across India. The dimensions of employer brand image consisted of attitudes and job attributes.

The prior work experience was used as moderating variable. The research analysis of job attributes resulted in a 16-items scale with four major components which are 'responsibility and empowerment', 'compensation and location', 'learning and advancement', 'social and cultural factors'. According to the findings, the attitudes of the prospective candidate about an organization were an important predictor of intent to apply. Amongst the job attributes, the students' application intentions were influenced by their perceptions of the responsibility and empowerment inherent in the job, as well as on compensation and locational considerations. Moreover, the results showed that the prior work experience moderates the relationship between the responsibility and empowerment dimension of employer brand image and application intentions.

Leosaputro&Leosaputro(2014) conducted causal-explanatory study to investigatethe relationship between corporate image of PT XYZ (one of the biggest manufacturing companies in Indonesia) and their job applicant attraction. The research data was gathered by distributing questionnaires to 109 respondents in Surabaya. In this research, the corporate image was represented by the three out of four dimensions of corporate image which are employer image, market image, and CSR image. The results revealed that corporate image has significant impact towards the job applicant attraction. Furthermore, employer image and CSR image were found to have significant impact towards job applicant attraction. On theother hand, the findings showed that the market image has no significant impact on job applicant attraction.

Based on the existing literature, we formulated the following hypothesis:

H1: There is a significant correlation between the corporate image and intention to apply

H2: There is a significantimpact of corporate image on intention to apply

Research Design

Sample and data

The organizational sample is restricted to one industry, the banking industry in Kyrgyzstan and the bank 'X' was chosen as the object of the analysis. Data for the study were collected by the use of questionnaire. The convenience sample included 90 undergraduate students studying at the Faculty of Economics and Administrative Sciences of theKTMU.Detailed demographic features of respondents are given in table 1 below.

Table1 - Demographic characteristics of sample

Gender	%	N
Male	32.2	29
Female	67.8	61
GPA	**%**	**N**
0.00-3.00	25.5	23
3.01-3.50	33.3	30
3.51-4.00	28.9	26
Department	**%**	**N**
Management	37.8	34
Finance and Banking	37.8	34
Economics	22.2	20

The questionnaires were distributed both in English and Kyrgyz languages. 26 of 90 questionnaires were filled via online survey; others were delivered and collected at the university. The questionnaire contained three sections: (1) questions that assessed the participants' perception of the image of the organization, (2) questions that evaluated the participants' intentions to apply to the company, (3) questions regarding participants' demographic information.Respondents were asked to give specific grading to each of the questions using a 7-point likert scale ranging from: strongly disagree (1), disagree (2), slightly disagree (3), neither agree nor disagree (4), slightly agree (5), agree (6) and strongly agree (7).

Measures

Perceived organizational image. To measure the perceived organizational image, items evaluating organizational image dimensions were adapted. An example items is: "Good reputation of the company amongst people". Respondents rated these items on a 7-point rating scale ranging from 1 (strongly disagree) to 7 (strongly agree). The Cronbach's α for this scale was 0.912. *Intention to apply for a job.* The study measured the students' intentions to apply with following questions like: "If I were searching for a job, I would apply to this organization", "I would attempt to gain an interview with this company". Participants responded using a 7-point Likert scale (1=strongly disagree; 7=strongly agree). The scale shows good reliability (Cronbach's α was) at 0.899.

Results

In order to confirmthe dimensionality of the questionnaire and to guarantee that each variable constitutes an independent construct for this sample an exploratory factor analysis (EFA) with varimax rotation was conducted including all the items measuring the variables of our model. Some items from the original scales were deleted as they presented distribution problems. Table 2 shows the results of the EFA performed, with the imposition of a two factor structure, which corresponded to the study variables (one factor for corporate image and one for intention to apply for a job). The two factor accounted for 69.38 percent of the cumulative variance.

Table 2 - Factor analysis of the variables included in the study (varimax rotation)

Items loaded	Factor1	Factor2
The corporate image		
Competent co-workers	0.843	
Positive working environment	0.839	
Good reputation of the company amongst people	0.824	
High quality of service	0.810	
Stimulating and challenging work	0.740	
Good employer brand to have on the resume	0.719	
Stability and safety	0.662	
Intention to apply for a job		
This company would be the first choice as an employer		0.855
I find this company a very attractive company to work for		0.825
I would attempt to gain an interview with this company		0.810
If I were searching for a job, I would apply to this company		0.790
If this company organizes "career day" event at campus, I will go to this event		0.789

As a result, our firsthypothesis was supported and we verified that there is a significant and positive correaltion between the corporate image and intention to apply for a job ($r = 0.540$, $p<0.05$).

Table 3 - Descriptive Statistics and Correlations

Variables	Mean	S.D.	1	2
1.Corporate image	5.18	1.26	1	0.540**
2.Intention to apply for a job	5.45	1.05	0.540**	1

Notes: p**<0.05

None of the control variables (GPA, department) related significantly to intention to apply for a job (GPA ($r = -0.25$, $p >0.05$); department ($r = 0.137$, $p >0.05$)) and to the perceived corporate image (GPA ($r = 0.055$, $p >0.05$); department ($r = 0.011$, $p >0.05$)).

Table 4 - Regression Model Analysis

		β	Std.Error	t	p
Intention to apply for a job ←	Corporate image	0.540	0.108	6.012	.000

In addition, the regression analysis revealed that there is also a significant and positive relationship between the corporate image and intention to apply for a job (β=0.540, p<0.01, Adjusted R-squared = 0.283). It can be said that, 28.3 percent of the intention to apply for a job (dependent factor) is explained by the corporate image (independent factor). So, our second hypothesis also was supported and we verified that the corporate image influence prospective workers' intention to apply for a job.

Conclusion

Findings of the research suggest that the corporate image play an important role in explaining the process that leads applicant's intentions to apply for a job.The study results clearly show the importance of perceptions of corporate image to understanding the attraction stage of the recruitment process. Consequently, the job applicants are more likely to apply for a job vacancy at firms with positive images. Organizations, with an objective to attract more talented candidates, should know that corporate image positively affect the job choice decisions and make concerted effort to improve on this factor. From a practical point of view, this study has implications for improving employee recruitment activities through increasing applicant attraction.HR-managers should enhance corporate image of the company by use of internal marketing practices to target high-qualitative and talented employees.

Future research should seek to replicate these findings in other contexts and populations, including professions other than administrative sciences.

References

Afroze, R. (2016). Does Recruitment Develop a Corporate Image to Attract Talented Candidates for Hiring in Bangladesh? *Asian Business Review, 6(1)*, 35-38.

Agrawal, R. K. &Swaroop, P. (2009).Effect of Employer Brand Image on Application Intentions of B-School Undergraduates.*The Journal of Business Perspective, 13(3)*, 41-49.

Cable, D. M. & Turban, D. B. (2003). The Value of Organizational Reputation in the Recruitment Context: A Brand-Equity Perspective. *Journal of Applied Psychology, 33(11),* 2244-2266.

Chapman, D. S., Uggerslev, K. L., Carroll, S. A., Piasentin, K. A. & Jones, D. A. (2005). Applicant Attraction to Organizations and Job Choice: A Meta-Analytic Review of the Correlates of Recruiting Outcomes. *Journal of Applied Psychology, 90(5)*, 928-944.

Lemmink, J., Schuijf, A. &Streukens, S. (2003). The Role of Corporate Image and Company Employment Image in Explaining Application Intentions.*Journal of Economic Psychology, 24*, 1-15.

Leosaputro, J. I. (2014). The Impact of Corporate Image of PT XYZ Job Applicant Attraction in Surabaya.iBuss Management, 2(2), 12-20.

Wei, Y.C., Chang, C. C., Lin, L. Y. & Liang, S. C. (2016). A Fit Perspective Approach in Linking Corporate Image and Intention-to-apply. *Journal of Business Research, 69*, 2220-2225.