



An Assessment of the Dimensions of Employer Attractiveness: The Case De La Salle University's Ramon V. del Rosario College of Business

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Abstract: The competition in acquiring the best employees has called for an imminent war for talent, which affects both the demand side and supply side of human capital. Employers compete for the best talent pool, while universities strive to develop and prepare their students to meet the demands of their future employers. To study this imminent issue, we focused on determining the most important dimension of employer attractiveness for the graduating students of De La Salle University-College of Business based on the five-factor framework of Berthon et.al (2005), which are the Application, Development, Economic, Interest and Social Value. This descriptive and formal study aims to uncover the perceptions of business students on their ideal organization, while taking in consideration the values that their respective departments wish to instill ELGA (Expected Lasallian Graduate Attributes). We gathered cross-sectional data by administering an online survey for graduating students of the Ramon V. Del Rosario College of Business (RVR-COB) in De La Salle University and processed it through the Multivariate Analysis of Variance (MANOVA). Employer branding, “the package of functional, economic, and psychological benefits provided by employment, and identified with the image of employing company” (Ambler & Barrow, 1996) provides the groundwork that lays out the interrelationships between the four different dimensions. Results reveal that the economic dimension is the highest-rated dimension for the graduating students, and least importance to the application dimension. Hence, we recommend that the College follows the androgogical approach to teaching, focusing on master lectures and focus group discussions (FGDs) that would switch the usual pedagogy from instructor and content-centered to student and process-centered learning, boosting the perceived importance to apply knowledge gained from the university.

Keywords: Employer Attractiveness; Talent; Employment; MANOVA

1. Introduction

1.1 Background of the Study

The rigorous competition in acquiring the best talents has called for an imminent war for talent. The demand and supply side of talents for fresh graduates has drawn quite an attention, as employers compete for the best talent pool, whereas universities strive to develop and prepare their students to meet the demands of their future

employers. Companies have various tactics of attracting employees into their organization as competition in the labor market becomes stiff and rigid. The need to improve the companies' tactics

has recently been of greater importance as managers see the potential of human capital as competitive advantage. Given the issues that affect both supply and demand side for graduates, we seek to answer the question, “What employer attributes do graduating College of Business



students give importance to, and which attributes are deemed as more important by students belonging to different degree program?"

Our study aims to fulfill the following objectives:

- To determine the most important dimension of employer attractiveness for the graduating students of De La Salle University-College of Business
- To compare the means of the different employer attractiveness dimensions among the different graduating students of the College of Business

As an educational institution governed by its core values of faith, service, and communion, the various departments in De La Salle University have objectives that aim to mold a set of values that specifically cater to the courses under their respective departments. Although technical knowledge and performance is measurable through tests and course requirements, the values; however, can only impact a way of thinking, which is manifested what they view as important. Findings of this study can serve as an assessment on how the department is doing in terms of value-based goals and be utilized as a basis for improvement of their respective programs.

Aside from the university, findings would also be significant to companies who would want to hire College of Business graduates from De La Salle University. Information regarding which aspect of employer attractiveness each course values the most will allow the companies to tailor-fit work environment, compensation and opportunities to attract more graduates.

1.2 Scope and Limitation

The Ramon V. del Rosario College of Business (RVR-COB) envisions the university "to be the premiere business school of the country" wherein graduates are expected to be professionals who are "...humanistic, socially responsible and sustainability-oriented business managers" (DLSU, 2012). In the College's Code of Ethics, a Lasallian business leader recognizes his role in the society and in exercising his professional duties, he recognizes that his "behavior must set an example of integrity ...trust and esteem" from those he serves. (RVR-COB Code of Ethics, 2013)

Recognizing the values that the College instills in every business students, we limit our respondents to the graduating students of the College of Business, as the study will serve as an avenue to determine whether these values serve as foundations for the future employment decisions of its students. In addition, this study is only a descriptive study without any intentions

to uncover causal relationships due to the limited time given to complete the study. Therefore, it is important that readers do interpret the results according to the premises given in the study.

1.3 Review of Related Literature

1.3.1 Employer Branding

Berthon et.al (2005) defines employer attractiveness as "the envisioned benefits that a potential employee sees in working for a specific organization." It is "the desired reaction between potential job applicants and status of organization image values and its related information" (Bratton & Gold, 2003). Employer attractiveness is a precursor of a more general concept of employer brand equity. Consequently, "the more attractive an employer is perceived to be, the stronger the brand equity of the employer" (Berthon et. al, 2005). Given a tapering labor market, the intricacies in finding the employee who best fits the organization confront firms, particularly in lower jobs that need low skill requirements.

1.3.2 Factors Affecting Employer Attractiveness

Gender. Almacik (2012) conducted a similar study and obtained results showing differences in employer preferences that females placed more value on most dimensions of employer attractiveness as compared to their male counterparts.

Race. Race is a significant predictor of performance ratings, job satisfaction, and job suitability ratings (Cox & Nkomp, 1993, as cited in Newburry et. al, 2006). Known for their competitive environment, Asians tend to satisfy parental expectations by pursuing occupational fields and ignoring personal interests and attitudes in choosing one's career path; they value prestige and



security over other job values (Leong, 1991, as cited in Newburry et. al, 2006).

Education. Education influences numerous employee-related variables such as increased job satisfaction through increased job complexity (Ganzach, 1996, as cited in Newburry et. al, 2006). Students who have high cognitive abilities and all kinds of high achievements place greater importance on those work that are interesting and challenging over other students' (Tang *et al.*, 2002: p331, as cited in Newburry et. al, 2006).

Household Income. Household income is a better perception of employer attractiveness rather than personal income. Cross-national evidence suggest that personal income fails to cover the transitions of employment and household income affects that households standard of living (DiPrete, 2003, as cited in Newburry et. al, 2006). In addition to this, household income also affects other employment decisions such as supplemental work at home and interstate migration for new jobs (McHone and Rungeling, 1993, as cited in Newburry et. al, 2006).

1.3.4 Dimensions of Employer Attractiveness

The study adopted the five-factor framework of Berthon et.al (2005), which is a refinement and extension of the Ambler and Barrow (1996) model.

Symbolic attributes explain people's need to maintain their self-identity to enhance their self-image, or express themselves (Lievens & Highhouse, 2003). Highhouse et.al (2007) concluded that there is a connection between organizational image and organizational identity and to applicant attractiveness and employee identification, correspondingly.

The symbolic attributes are as follows:

Interest value evaluates the extent to which an individual is attracted to an employer's work environment, its novel work practices, and the firm's value for the employee's creativity to produce high quality and innovative products. Given the competitive nature of employee recruitment, as well as the value of human resources to the firm, Turban and Greening (2000) suggest that a firm's reputation and image influence an employees' self-concept.

Social value evaluates the degree to which an individual is attracted to employer that provides a fun and happy working environment that fosters good working relationships. A study by Lievens and Highhouse (2003) suggests that the symbolic affiliation with a company has an impact on organization attractiveness because individuals tend to establish their social identity based on affiliations. For people who want to develop their ideal selves, it is imperative to affiliate themselves with firms that uphold a set of values they want to support.

On the other hand, instrumental attributes cover objective and tangible characteristics that a job or an organization offers. (Lievens, et al., 2007) Potential employees are attracted to these kinds of attributes due to their personal needs such as sustenance and convenience and the need to maximize their utility from a certain job.

The instrumental attributes are as follows:

Application value evaluates the extent to which an individual is attracted to an employer who could offer opportunities that share one's potential to others in a customer-oriented environment. A company that considers its stakeholders in decision-making will be more attractive as it builds a positive image to potential applicants and the society alike.

Development value evaluates the extent to which an individual is attracted to employers who acknowledge the hard work and dedication of employees through recognitions, career-enhancing experience, and a catalyst for future employment. Danish and Usman (2010) stress that a good balance of the two factors will help boost employee morale in an organization. Moreover, many job seekers consider employer strategies that offer a career-enhancing experience as it provides fulfillment and opportunities for personal development.

Economic value evaluates the extent to which an individual is attracted to employers who offer attractive compensation packages, job security and advancement opportunities. Human resource personnel offer attractive compensation and benefits packages as products to increase attractiveness—a higher package provides more economic value.



The vast array of literature has discussed the factors affecting employer attractiveness in a general context. However, the differences across countries and institutions do not necessarily validate the results from the studies of previous literature. Thus, we adopt these theories and apply similar methodologies to test the importance of each employer attractiveness dimension for the students specifically for De La Salle University's Ramon V. Del Rosario-College of Business.

2. Research Design and Methodology

We gathered cross-sectional data by administering a survey for 210 graduating students under seven programs of the Ramon V. Del Rosario College of Business (RVR-COB) in De La Salle University.

The data collection process involved the use of an online survey conveniently accessed through Google docs to ensure anonymity in answering the questions. Each member of the research team collected the answers of at least seven people per course, all of which should be business students who are graduating on or before February 2015. We utilized a selective data collection procedure and personally distributed the

survey link to the online form to ensure that the target respondents were the ones who answered the survey. The only 1 instruction that given to them prior to answering the survey was “do not answer all 5’s”.

To operationalize our study, we used a survey form composed of 25 questions that correspond to the five main dimensions of employer attractiveness. Patterned and tested under the criterion validity, the survey instrument used is from Berthon et.al (2005). The said survey proved to be effective in collecting insights regarding employer attractiveness. The mechanics of the survey are similar. The questionnaire employed a five point numerical scale to obtain answers of varying degrees.

For our analysis, we began by pinpointing which employer attractiveness characteristic is deemed as the most important per course or of the college as a whole through descriptive statistics, we allowed the threshold for importance to be set at a mean score of 4.00. Then, we generated a correlation matrix in order to examine the correlation of the dependent variables groups and we subsequently implemented a Multivariate Analysis of Variance (MANOVA).

3. Results and Discussion

Means of Employer Attractiveness by Course

Course	ADV	APC	BSA	FIN	LGL	MGT	MKT	Total
Application	4.28	3.77	3.89	4.23	4.25	4.07	4.17	4.09
Development	4.45	4.45	4.21	4.49	4.43	4.24	4.33	4.35
Economic	4.46	4.67	4.29	4.51	4.42	4.31	4.58	4.46
Interest	4.61	4.13	3.98	4.31	4.18	4.21	4.35	4.25
Social	4.56	4.47	4.43	4.42	4.31	4.41	4.47	4.43

LEGEND: ADV= Advertising; APC= Applied Corporate Management; BSA= Accountancy; FIN= Finance; LGL= Legal Management; MGT= Management; MKT=Marketing. *NOTE:* 5= Very important, 1= Not at all important

The lowest ratings were given to the application dimension. Our results contradict a previous study done by Wadhva (1978), wherein his respondents rate the opportunity to apply management techniques learned at the university as one of the most important attributes of an employer. This contradiction prompted us to infer that the perceived importance of this item is linked to how the students process their learning.

According to Säljö (1979, as cited in Jan van Rossum et. al, 1985), most people think that they are able to apply both levels of processing; however, that is not necessarily true. It may be possible that the students fail to see the importance of what they have learned, due to the inability to apply deep-level processing and are not able to connect the lessons to existing concepts in the work place. However, it is important to note



that a more in-depth study may be required to gain a better understanding of the reasons to why some course groups do not find this important.

The economic dimension has differences in average ratings; however the discrepancies are not very large. We believe that the high regard for this dimension due to the reservation wage (Dasgupta, 2012) and current standard 2 of living (Newburry et al., 2006). In addition to this, Geronimo (2011) mentioned that De La Salle University is the third most expensive school in the country. Here, we could infer that majority of the students in studying in the institution are affluent. The large household income of the students could be an explanation for the high average ratings under this dimension. Newburry et al. (2006) states that household income affects job search behavior. The study mentions that people with high household income have a certain standard of living that would want to maintain.

For the interest dimension, the average ratings depended on the nature of the course and course requirements. This is in line with previous studies since they suggest that people are more satisfied and better adjusted in an environment that is congruent with their culture (Higgins, 2000, 2005; Kristof-Brown, Zimmerman, & Johnson, 2005, as cited in Fulmer, et al., 2010).

The average ratings for the development dimension is above the threshold, which implies that the dimension is important for all courses. The high levels of ability and sense of achievement of the students may cause the high ratings for the development dimension; in that, students with a higher sense of achievement put greater importance to a workplace that boosts job challenge and career growth. Moreover, because De La Salle University is one of the top learning institutions in the country, it would be safe to assume that most of their students have relatively high levels of ability, and are achievers in their own way. In addition, since the students are nearing the completion of their studies, the idea of surpassing much of the rigorous course work from a well-established university may seem like an achievement already.

Lastly, all the students regard the social dimension to be important. Note that there is a statistically significant difference for the Legal Management course group at a p-value of .05

attributed to the nature of their course. Law is quite a serious career path, and lawyers are needed in most organizations regardless of the nature of their environment; thus, the expectation on their future workplace may have played a role in their average rating—making it lower than the other courses'. The importance given to the social dimension due to the fact that being around people you have positive feelings for also have beneficial effects (Fulmer et al., 2010). Thus, students value good camaraderie with their colleagues and an organization culture that fits their personality. Hence, the social dimension confirms that the attraction of potential employees to employers stems from how potential employees can associate themselves with the employer, and their expectations on how a company delivers its brand promise, underpinning the claim of the social identity theory.

4. Conclusion and Recommendations

On the average, all five dimensions are important to the respondents; however they gave most importance to the economic dimension, and least importance to the application dimension. Therefore, we feel that it is important to boost the application dimension ratings, particularly the perceived importance to apply knowledge gained from the university. We propose that the College follows the androgogical approach to teaching, which was introduced by Knowles (as cited in Harris, 2000). This would entail focus on master lectures and focus group discussions (FGDs) that would switch the usual pedagogy from instructor and content-centered to student and process-centered. This method of teaching will stir dialogues that aim to strengthen the theories and concepts and expose students to the real-life situations where concepts become applicable.

Our succeeding recommendations aim to address the concerns of the graduating students regarding the different dimensions and seek to improve the attractiveness of the different organizations as potential employers of the graduating students. We propose that the organization hold an annual campus caravan and participate in university job fairs to boost the brand awareness and equity of the organization. We also recommend organizations to establish linkages with institutions through internship programs that



will not only increase the brand equity of the organizations, but it will also give them to opportunity to train students, and immerse them in their corporate culture. Since we noticed that the respondents gave high importance to a good compensation package, we recommend that employers highlight this during recruitment activities. A company that lacks an attractive compensation package may opt to highlight fringe benefits, promotional and personal development opportunities.

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