

# What are the Factors that Make an Employer Attractive in the Eyes of Prospective Employees in Bangladesh?

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**Abstract**—This paper aims to investigate the influence of various factors in making an employer more attractive in the eyes of prospective employees in Bangladesh. Four different components of employer attractiveness, namely, economic value, social value, development value, and interest value were measured to determine their respective influence on employer attractiveness. A total of 240 employees were surveyed. Our findings show that perceived development value, economic value and social value have the most influence, in that order, whilst interest value was found to be statistically insignificant. The paper provides policy recommendations on how to use these variables to attract superior employees in Bangladesh.

**Keywords**— Bangladesh, Employer Attractiveness, Employer Branding.

## I. INTRODUCTION

EVER since the emergence of '*Resource Based Theory*' [1] organizations have been looking for sustainable sources of competitive advantage within themselves. Few, if any other resource have the capacity to act as a source of competitive advantage as Human resources, primarily due to its inimitability. Attracting the ideal employees has thus become one of the most challenging tasks for most of the organizations. Hence it does not come as a surprise to see organizations increasingly competing to attract highly skilled personnel in various professional areas [2], particularly in service sectors which mostly employs knowledge workers. It is now widely accepted that organizations that can attract the best minds will have a distinct edge in the marketplace [3].

However, as the war for talent grows intense, firms need to distinguish themselves from others in the eyes of prospective employees to attract them. Whilst there is a plethora of literature on employer branding and employer attractiveness, there are only a few studies that have taken place in the context of developing countries with a few notable exceptions [4]. Moreover, most of the studies have focused on fresh graduates, thus leaving the opinions of jobholders relatively unexplored.

Prior studies indicated that current and potential employees tend to perceive an organisation's brand in different ways [5-6]. This paper aims to fill that gap by assessing what are the variables make an employer attractive in the eyes of employees in the context of Bangladesh.

## II. LITERATURE REVIEW

The concept of employer attractiveness has its origin in employer branding. The term 'Employer Branding' has been coined by Amber and Barrow [7], who defined it as "the package of functional, economic and psychological benefits provided by employment, identified with the employing company." Thus Employment branding is considered to have a significant influence on creating an image in the minds of potential candidates as the place to work. Other have also echoed this by defining employer branding as the 'sum of efforts' to advocate the employer's status as a desirable place to existing and prospective staffs [8].

Researchers suggest that early recruitment activities are indirectly related to intentions and decisions through two dimensions of employer brand image: general attitudes towards the company and perceived job attributes [9]. Thus, employers who have been able to establish a positive image in the minds of prospective and current employees should be able to attract and retain talented employees respectively, by making them more attractive relative to others.

Employer attractiveness is closely related concept to 'employer branding'. This concept has been broadly discussed in the areas of vocational behaviour [10], management [11], applied psychology [12], and marketing [13]. Employer attractiveness is defined as the envisioned benefits that a potential employee sees in working for a specific organization [14].

In their original paper introducing the employer branding concept, Ambler and Barrow [7] identified three dimensions that defined employer identity, namely psychological, functional and economic. Researchers [14], using the EmpAt scale, extended this perspective to five dimensions: economic, social, development, interest and application. In this paper, we have adopted a modified version of the EmpAt scale.

The first dimension adapted from the conceptualization of the perceived employer branding [14] is economic value.

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Economic value assesses the extent to which an individual is attracted to an employer that provides above-average salary, compensation package, job security and promotional opportunities thus encompassing both monetary and non-monetary dimensions. Myriad of studies have investigated the influences of economic values on employee attitudes. It is stated that an increasing payment (or higher salary in general) is directly related to job satisfaction [15-17], and identification with the organization [18], whilst work benefits might constitute the most obvious factors in a person's choice of workplace and have been mentioned as being an important determinant of employer attractiveness. [19] Researchers have also indicated that, organizations provide benefits mainly for attracting and retaining employees [20]. As "economic value" provides a hard measure for potential employees and, as a result, can easily be recognized by them as well, we postulate the following hypothesis:

H1. There is a positive relationship between economic value, and employer attractiveness in the eyes of potential employees.

Social value assesses the extent to which an individual is attracted to an employer that provides a working environment that is fun, happy, provides good collegial relationships and a team atmosphere. [14]. Thus this value represents an organization's working environment. Scholars have frequently suggested the variables associated with social values as important drivers for positive employee attitudes [21]. For instances, the role of co-workers and supervisors (competent or friendly) in enhancing favourable employee attitudes like satisfaction has been well established in literature [21] whilst satisfaction with cultural and social environment have been cited to have a positive impact on employee commitment, a construct strongly related to employee identification with the company [22-23], which in turn leads to retention of employees. We thus posit the following hypothesis:

H2: There is a positive relationship between social value and, employer attractiveness in the eyes of potential employees.

The third construct in employer attractiveness is development value which assesses the extent to which an individual is attracted to an employer that provides recognition, self-worth and confidence, coupled with a career enhancing experience and a springboard to future employment. This category refers to variables such as "good training opportunities", an "empowering environment", and a "good mentoring culture". [24]

A plethora of studies have investigated the development potential within a company in connection with employee satisfaction [25] resulting into making the employer more attractive to apply to or stay with. Development values have been touted as a major influence in employee satisfaction. [26 – 28],[21] Extant literature point the positive influence of development value on organizational commitment, which describes the strength of an individual's identification with and involvement in an organization. [29], [18] Perceived organizational support, which is closely related to development value have found to be closely associated with

organizational commitment [26]. Thus, we propose the following hypothesis:

H3: There is a positive relationship between development value and, employer attractiveness in the eyes of potential employees.

The fourth construct, namely, interest value assesses the extent to which an individual is attracted to an employer that provides an exciting work environment, novel work practices and that makes use of its employee's creativity to produce high-quality, innovative products and services. [14]. Other terms such as diversity value [24] have been used to describe similar variables. Prior studies labeled interesting job characteristics as the best predictor of overall job satisfaction [21], whilst "challenging tasks" [30-31], [21] and a "broad variety of tasks" [31] have also been found to be positively related to employer satisfaction which lead us to the following hypothesis:

H4. There is a positive relationship between interest value, and employer attractiveness in the eyes of potential employees.

Finally Application value assesses the extent to which an individual is attracted to an employer that provides an opportunity for the employee to apply what they have learned and to teach others, in an environment that is both customer orientated and humanitarian. [14].

### III. METHODOLOGY

Our questionnaire was based on the prior research [14]. After a pilot survey a few modifications were made to accommodate potential issues related to the reliability of the instrument. The final questionnaire was comprised of 15 questions with all the constructs being represented by four items apart from interest value which had three. All the constructs had the value of an alpha over 0.7 which is widely regarded as acceptable.

Whilst most of the questionnaires were provided to the surveyees in hand, around 25% of the surveys were done through email. Surveys were conducted in three different financial institutions and one manufacturing firm. Whilst it would have been ideal to cover each layer of management in equal numbers, most of the surveys were conducted on lower and mid-level employees as top-tier employees were found to be too difficult to reach.

We also had a check for multicollinearity. Since all the VIF value was less 10, we reach to a conclusion that there is little if any concern with regards to multicollinearity.

TABLE I  
RELIABILITY TESTING OF THE INSTRUMENT (CRONBACH'S ALPHA)

Construct	No. of items	Cronbach's alpha
Application	4	.757
Social	4	.791
Development	4	.704
Economic	4	.773
Interest	3	.724

IV. FINDINGS & DISCUSSION

Our findings show that there is a positive relationship between economic value and employer attractiveness. So we accept the H1. We have also found a positive relationship between social value and employer attractiveness. So we accept H2. We have found positive relationship between development value and employer attractiveness. So we accept H3. We found the relationship between interest value and employer attractiveness to be statistically insignificant. So we reject H4. The value of R in our model is .708 and does explain around 70% of the predictors.

Our findings exhibit that development values are perceived as the most important construct in determining the employer attractiveness. This might be a reflection of high competitive nature of job market where development is not only the key to climb up the career ladder but has become a necessity to be retained.

The slightly less importance of economic value is a bit surprising. One would assume that, in a developing country with a higher unemployment rate, salaries and other monetary benefits would play big role in attracting applicants. Our finding demonstrates that the labour market is perhaps getting convergent in terms of providing economic incentives.

Whilst social values are found to be significant in determining employer attractiveness, it is found to be relative less important than development and economic values. Whilst subjective norms traditionally tend had an influence in career choice, it seems the newer generation are more likely to ignore that relative to their previous generations.

The lack of significance of interest value may present a broader picture of the labour market of Bangladesh. Whilst people are more looking for a career rather than a job as demonstrated by the significance of development values,

TABLE II  
MODEL SUMMARY

Model	R	R Square	Adjusted Square	RStd. Error of the Estimate
1	.708 <sup>a</sup>	.501	.493	.44999

potential applicants might not be in a position to afford to wait for a job that interest them the most.

TABLE III  
COEFFICIENTS

Model	Unstandardized Coefficients	Std. Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta		VIF	
(Constant)	.190	.249		.763	.001	
Application	.072	.073	.069	.989	.002	2.303
Social	.231	.077	.211	2.991	.003	2.339
Development	.518	.074	.441	6.971	.000	1.883
Economic	.227	.060	.235	3.778	.000	1.828

TABLE IV  
ANOVA

Model	Sum Squares	df	Mean Square	F	Sig.
Regression	47.814	4	11.953	59.031	.001
Residual	47.586	235	.202		
Total	95.400	239			

V. FUTURE DIRECTIONS FOR RESEARCH

It would be interesting to find out whether there are some differences between male and female applicants in terms of their preferences of constructs that make an employer attractive, especially in the case of social and economic values. Another issue worth of exploring would be the potential differences at applicants in different stages of their career. Whilst younger ones might put more weight on economic and development values, the more senior applicants might take social and interest values as more important as they are likely to be well established economically and might have peaked with regards to development.

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