Potential Employee Segmentation: Employer Branding and Intention to Apply for a Job in Banking Sector, Pakistan.

Author Details: Summer Aslam

Abstract: There are not many studies of employer branding and intention to apply for a job. No study was attained attention on potential employee segmentation experienced versus inexperienced applicants perceived by employer branding in Pakistan. Therefore, the endeavor of this survey was to satisfy the gap by analyzing employer branding and intention to apply in recruitment function perspective to potential employee segmentation. Respondents were participated in this survey from different universities who were near to set up their careers. To make analysis between employer branding and intention to apply, respondents were requested in response about the banking sector. Consequently, the findings show that employer branding is significant with the intention to apply at 0.01 level. Not all potential employees are same. Without potential employee segmentation, organizations do not know whom they possess to attract and what they have to be attractive. Furthermore, employer names have a different meaning for different people. Identifying potential employee segment is helpful to become attractive employers and to increase applicant’s intentions too.

Keywords: Employer Branding, Intention to Apply, Employee segmentation, Experienced Applicants. Inexperienced Applicants

I. INTRODUCTION

Initially, term “branding” was being used to distinguish tangible products only, now it has been admitted as a competitive advantage and differentiates among places, people and employers as well (Sokro, 2012). Employer branding means such an ideology which is associated with marketing among the organizations and its positioning in the minds of current and potential associates (Kufstein, 2013). All the way through employer branding as an image may able to attain significant results in receipt of attraction of potential employees. Therefore, an employer branding is considered more meaningful in a tight labor market today where potential applicants look at the value proposition of the organization as it correlates to what an organization offers to the employee in answer to what the employee “pass to the board” such as expertise, skills and competencies (Minchington, 2010). Creating a sound value proposition is effective for employer branding (Kotler & Lee, 2008). Without it, employer branding is approved as a house of cards.

A value proposition puts forward the perfect matching between associates and employers (Mehta and Sharma, 2012). It is followed by marketing concept as for fame of brand, customers look at the value proposition with a specific brand and make purchase decisions based on their brand insight. Similarly, the employer value proposition signifies employer branding and increases the motivation in the workplace.

Moreover, both have the same aim (Kufstein, 2013) as a bottom focus in marketing is to attract new and retains the current ones. Likewise, the employee / potential employee is like a current/potential customer and employer is like a product. Indeed, customer purchasing decision and potential employee’s intention to pursue an application for the specific organization are based on the brand insight that what they are offered by a specific brand.

II. LITERATURE REVIEW

For a long time, employee market has been changing with the perspectives of attracting and selecting (Freeman, 2003; Florea,2011). A confrontation for talent has moved towards profile matching between applicants and employers over the needs and wants (Zhao, 2005). Traditional recruitment efforts are not sufficient and people are more concerned about a four letter word “brand”. The notion “Employer branding” conceived by Ambler and Borrow in the late 1990s. According to defined by them, employer branding is the package of functional, economic and psychological advantages that transmit the “employer value proposition”.

http://www.ijmsbr.com
Employer value proposition constructs the most attractive features as the balance of the rewards and benefits that are received by employees in return for their services in the workplace and ultimately, it becomes the attractive reasons for potential employees (Mehta and Sharma, 2012).

Since this term borrowed from marketing and recently used in HRM (Bakhus and Tickoo, 2004; Sokro, 2012). It has been practiced in marketing that customer segments distinguish value on the benefits of the product or service they receive (Hassan, 2012; Kaplan & Norton 1996). A correct reality is that segments fluctuate widely in attractiveness. And the accomplishment of attractiveness in the marketplace is to the value provided to customers (Capon and Hulbert, 2007).

As this research is a view to experienced and inexperienced applicant’s perceptions against employer branding. Thus, the aim of this work is to analyze employee market segment as experienced and inexperienced applicants of university students. University students are a more dependable source of data based on the category (experienced and inexperienced) and also the university students is supposed as a competent source by an establishment in a contest era (McKeown and Lindorff, 2011). According to Taylor (2005) today’s university graduates will be future ambassadors of the workplace. However, demand for the skilled employees has been increased by organizations (Arachchige & Robertson, 2013; Kufstein, 2013) and universities are being studied as a principal source for providing the human capital (Keown and Lindorff, 2012). It is an enormous challenge for organizations to attract the potential employees (Shafique, 2012). With the minimization of capable applicants, hiring is getting difficult with findings to the right employees for the good jobs (Subhani & Azmat, 2012).

Therefore, a crying need has been felt to attain a richer understanding of potential employees that what employer values are the most preferred by them (Ritz & Waldner, 2011; Sharma, 2012). And what type of ambitiousness potential employees have for future jobs.

Furthermore, an individual’s attraction is dependent upon that how he or she perceives to specific employer (Taylor,2005) Hence, “shortage of workforce” in a number of regions (Sharma, 2012) recommends finding out the human capital’s preference for employers. Taylor (2005) define work experience appreciably impact on both working preferences for companies and work environment. Therefore, the most purposely, this study examines the key characteristics of employer attractiveness to know the behavioral trends of potential employees (based on the categorical ways, Experienced and inexperienced applicants) who is particularly attracted. It is mostly accepted by researchers that employer branding is certainly associated with intention to apply (Cable & Turban, 2001).

The area “Employer branding” that is closely related to employer attractiveness (Adler & Ghisell, 2015). has been overlooked with meticulous of potential applicant’s attraction comparatively the most empirical work on the consumer side (Ong, 2011; Oladipo, Iyamabo & Otubanjo, 2013).

Nonetheless, there are several questions are unaddressed and still there is a gray area of research of employer branding (Adler & Ghiselli, 2015Khabir, 2014; Sokro, 2012). In the most recent study of (Adler & Ghiselli, 2015) only general perceptions of compensation and benefits were measured instead actual intentions. The generality of the results is not accommodating for another region and these findings need to replicate or extent with other factors in other contexts and population (Adler & Ghiselli,2015).

Thus, specifically, this study is twofold. First, is to split analyze of the respondents (experienced & Inexperienced applicants) that how they differ in preference to employer attractiveness. Secondly, to look at their actual intentions perspective to employer branding and also weighted of their mean scores for the specific work environment based on employer attractiveness.
III. Overview of Human Capital (Pakistan)

Consideration to country, (Pakistan) where the state is in great need of skilled and talented human capital to compete in the global era (Khurram et al., 2013). Currently, Pakistan is placed in the 4th rank compared to 7th rank in 2011 in the countries affected by the skilled brain drain in the world (Abid, 2012; World Bank, 2011). Pakistani professionals are leaving the country at an alarming rate since last three decades (Tahir, Kauser & Tahir, 2011; Ali & Ali, 2013). The migration rates of 4.7 million skilled workers in Pakistan, shows that the employment offered by the organization in Pakistan is not attracting the young talents (Dilshad, 2013). Disability to attract fresh applicants for job postings creates a concern for most employers (Baloch & Awan, 2013).

IV. Employer Branding Global Research

Most organizations are in the premature stage of developing an employer branding strategy that builds competitive advantage. According to global survey report only 16% have a clearly defined strategy. On the other hand, 3% are fully unaware about the strategy, whereas 37% do not have a clear strategy. So the survey results (see Figure 1.0) grant some imperative guidance for organizational leaders to ensure their investments in developing the employer branding.

![Figure 1.0](image)

Hypothesis: The review of empirical literature reveals that there is a significant relationship between employer branding and intention to apply for a job.

V. Methodology

By taking into account comparison between potential employees, this study evaluates the relationship between employer branding and intention to apply for a job by using inferential and descriptive statistics.

Based on the nature of the topic, university students were taken as for respondents and they asked for the banking sector. The banking sector was selected as the sector has been going through intense competition for many years (Hassan, din, Mir, Ahmad, Mateen, Ahmad &Nasir, 2011). Employee turnover is high in industry (Jaffari, Aziz, Hussain, Akhtar & Rehman, 2011) and human capital availability is a critical issue (Batool & Ullah, 2013). To increase the efficiency level, banks need to hire young and educated employees (Naeem,Akram &Saif,2012). It is exceedingly significant for the HRM department of banking sector to hire those employees who are engaged with full potential (Abdullah, Rashid and Omar, 2012).

So, to identify the employment market for banking sector, quantitative study was conducted by using both descriptive and inferential statistics. Employer branding was measured by adopting items from study of (Gomes...
For intention to apply, items were adopted by (Sivertzen, Nilsen and Olafsen, 2013). All items were measured on a seven point likert scale. 460 questionnaires were distributed among undergraduate, graduate and postgraduate students in various universities located in Lahore. Out of 460 questionnaires, 54 were discarded as found incomplete. The rest were used for data analysis with respective to 88% response rate. SPSS software 20 version was used to analyze the data.

VI. Results

Table 1: Correlation Analysis

Correlation method was applied to analyze the relationship between employer branding and intention to apply.

<table>
<thead>
<tr>
<th></th>
<th>Employer Branding</th>
<th>Intention to Apply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer Branding</td>
<td>1</td>
<td>.127</td>
</tr>
<tr>
<td>Intention to Apply</td>
<td>.127</td>
<td>1</td>
</tr>
</tbody>
</table>

**Correlation is significant at 0.01 level

In descriptive part, a difference has seen in mean scores (4.12,4.01) between experienced and inexperienced applicants in perspective to work environment.

Respondents were asked their preference (Islamic bank, Foreign Bank and Conventional bank).222 respondents were having the working experience, whereas the rest 184 without experience. Their preference for employer was varying. Experienced students rated for foreign banks while the Islamic bank was the second choice for them. In contrast, inexperienced respondents were rated more on Islamic banks and gave the second choice to the foreign bank. However, neither experienced applicants gave tendency to conventional bank nor inexperienced applicants but still there is difference as experienced applicants have less Propensity in comparison to inexperienced the difference between experienced and inexperinced applicant’s intention to apply.

![Inexperienced Applicants](http://www.ijmsbr.com)

![Experienced Applicants](http://www.ijmsbr.com)

Figure 1.1
VII. CONCLUSION & FUTURE RECOMMENDATION

The Study’s result is supporting the prior work and consistent with related findings in the literature (Sokro, 2012). Results specify that there is a noteworthy relationship between employer branding and potential applicant’s intention to apply in the context of Pakistan. So result is consistent with prior studies. Therefore, it could be concluded that if the organizations pay attention to their attractiveness, the efficiency of recruitment will be improved and will upshot in the right selection for a specific task. Consequently, our findings propose that employer branding can engage in the process that goes ahead to intention to apply for a job (e.g.). Either experienced or without work experience, it was found that employer branding persuade the intentions of employees to apply for a job. However, in meticulous of employer’s name, may have different meanings for different individuals.

he priorities were found dissimilar. The respondents who have already work experience in the job market, they preferred foreign bank as an employment. Contrary, inexperienced applicant’s preferred Islamic banks. In addition, it is assured that an employment segment is helpful to increase the attractiveness of a brand. A value proposition offered by insight brands has different meaning for different people (Kaplan & Norton 1996). Similarly, an employer value proposition in employment segment may also vary across the industry. An effective employer branding strategy is highly appreciable in respective of potential employee’s segmentation (Work experience, Gender, Social ties, Location).

Based on the above discussion, few recommendations are proposed for organizations. During a preparing of recruitment strategy organizations should keep in mind a value proposition, including training and development, challenge full jobs, competitive remuneration and meaningful work tasks. To get a robust talent, employer branding”an attractive workplace” will have to be increased. New encounters are on the cards in a boundary less world. So organizations will be able to consolidate the relationship with employer branding.

With regards to limitation, this study recommends to replicate this study in another region in specification of potential employee segmentation’s length of experience. There is also greeting the comparison between countryside and urban people (Location of applicants) that do they distinguish in employer attractiveness.
Difference between social ties (spouse and non-spouse) and non-profit organizations are also admirable in future study for employer attractiveness.

References