My Employer's Prestige, My Prestige

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Abstract. Employer branding is an essential component that attracts potential candidates to companies. Social media, particularly employer rating platforms, provide many opportunities to present a company's employer brand. Individuals use these platforms to collect information and evaluations about potential employers and companies could utilise these platforms to present themselves favourably. Based on social capital theory, this study examined the variables of support and benefit as reasons why individuals share information about their employers on employer rating platforms. The influence of demographic factors on the use of these platforms was also investigated. Data was collected from 309 respondents via an online survey, and analysed using the t-test, Spearman's correlation, and analysis of variance (ANOVA) with the least significant difference (LSD) method. Only descriptive statistics, distribution of responses, and statistically significant results are presented.

Keywords: Employer Branding, Rating Platforms, Social Capital, Social Media, Recruitment

1 Introduction

The labour market is currently changing to a candidate's market where there is demand for skilled employees but the number of potential candidates to meet this demand is decreasing. Labour market is refers to the availability of employment and labour, in terms of supply and demand. The market becomes more competitive and companies are finding it difficult to identify suitable employees from the pool of candidates (Sander, 2013). Moreover, the importance of employer branding — how companies project themselves as favourable employers — is increasing. One way that companies can brand themselves positively is through the Internet.

The Internet is a powerful word-of-mouth marketing platform (Mukherjee and Banerjee, 2017). The exchange of information, experience and knowledge in digital media creates value for a company. The value of information available allow individuals to aid in their decision-making. For example, TripAdvisor serves as a hotel-rating platform for travellers and as a way for hotels to improve their service based on ratings. The consistency in ratings, either good or bad, influences a traveller's decision when selecting a hotel (Khoo et al., 2017).

Social media provide new channels for job seekers to collect and share information about potential employers. These channels can be used by anyone with access to the Internet, making information easily accessible and available worldwide. It has become increasingly common for employees to share information with each other about their employers on social media. Job seekers could use such exchange of information when considering which company to apply to (Balaji et al., 2016; Luarn et al., 2015). Companies' reputations are also at stakes as a negative report about them can be read by anyone anytime (Vergeer, 2014). Job seekers might not apply to a company that has been rated negatively. As such, companies could use employer rating platforms to brand themselves positively and therefore, reduce destructive criticism.

Employer rating platforms are online software-based tools that employees used to evaluate companies (Dabirian et al., 2017). Job seekers turn to these platforms to seek realistic and authentic information about potential employers (Li and Bernoff, 2011; Sander et al., 2017). Individuals are able to anonymously share information such as company culture, benefits, and leadership behaviour as well as describe their working experience on these platforms (Teh et al., 2014; Wasko, 2005). Due to the anonymity

of these accounts, the information is deemed to be genuine and hence, trusted by job seekers (Bakir & McStay, 2017). Individuals also use this channel to support each other, such as by encouraging (or discouraging) job seekers in applying to a particular company. Some companies use employer rating platforms to advertise themselves to potential candidates. They would use their employees as company ambassadors by asking them to rate the companies favourably. In short, these platforms provide an opportunity for employees to evaluate their companies and also for companies to react to these evaluations and communicate with potential candidates.

Previously, research has conducted on the reason of how to attract potential candidates to apply to their company through rating platform. The rating of the employees supports the success of the recruiting process which candidates have information to find for as a decision (Sander et al., 2015). The question of "Why would you evaluate your employer on an employer rating platform (e.g. Kununu or Glassdoor)?" has resulted in several feedbacks such as "I like to support my employer to be recognised as a good employer", "I like to inform other people about my employer" and "I like to motivate potential candidates to apply". These comments have exhibited the support of the employer to pursue suitable candidates for the company and the ratings or comments of the employees inform other people about an employer. To reiterate, information on employer rating platforms is deemed authentic as it came from the employees themselves and not from the company's branding or marketing department or communications officer. Individuals place more trust in information from "normal" employees as compared to information given by companies media centre or communication department (Klein et al., 2012). This is an advantage of employer rating platforms and the power of word-of-mouth.

The current study aimed to identify the reasons that motivate individuals to share information about their employers on employer rating platforms. To explore the benefit of employer rating platform is to present the prestige of the employer (T. Sander et al., 2017). Could a positive image of the employer increase the prestige of their employees? Could the prestige of an employer motivate suitable candidates to apply to the company? Employees would want experienced and suitable colleagues, which are essential for companies to be successful. Hence, employees evaluate their company on rating platforms to ensure that the company show one´s true colour. Successful and competitive companies are a motivation for employees to work there as company success secures the employment and survival of the company.

2 Motivators to Share Information on Employer Rating Platforms

Social capital theory explains the exchange of information in social networks (Finkbeiner, 2013). The Internet, particularly social media, has become an accepted channel or opinion-mining platform to share and obtain information. With the Internet, individuals have easy access to resources and information without any cost (Fussell et al., 2006). As the Internet creates large networks that connect people and is an infinite source of information, it has become a place to exchange knowledge and experience. Individuals can refer to these platforms to aid in their own decision-making or influence the decisions of others.

For employees, employer rating platforms are a place to share and exchange information as well as obtain needed information on companies (Hampton et al., 2011). In a way, individuals support one another by providing information or resources to each other. Such information or resources might not be obtainable if individuals did not receive such support. Individuals tend to receive information or resources from a third party, sometimes anonymous, via the Internet. This form of support is from an external source such as a machine, a rating platform or a person (Moon, 2004). Hence, this leads to the first statement of the study examining the variable of support:

"Individuals use employer rating platforms to exchange information about their employers to support other individuals"

Benefits are a valuable resource that improves the situation of an individual (e.g. prestige increases prosperity). Benefits have a positive influence on the individual and are hence desirable. A typical online benefit is the reputation and trust of information (Daigremont et al., 2008; Ellison et al., 2007), which are important for online users to obtain power and influence over others. Online users expect individuals that use their provided information to be obliged to them (Hampton & Wellman, 2003; Hlebec et al., 2006). Thus, this leads to the second statement of the study examining the variable of benefit:

"Individuals provide information on employer rating platforms to seek benefits"

The current study also investigated if demographic factors would influence the use of employer rating platforms. Demographic factors are important for the labour market and decision to select employees. The demographic factors tested in this study consisted of age, work experience, gender, and education level. This leads to the third statement of the study:

"The use of employer rating platforms is influenced by demographic factors"

3 Methodology

The study was carried out in cooperation with a project at University of Ludwigshafen, Germany. As employer rating platforms are online tools (Evans & Mathur, 2005; Wright, 2005), the study recruited individuals with access to the Internet. An online survey conducted in the German language was forwarded randomly to over 900 individuals between November and December 2017, but only 309 individuals responded.

In terms of age, 2.5% of respondents were below 21 years, 57.6% were between 21 and 30 years, 6% were between 31 and 40 years, and 18.5% were above 40 years. Young individuals aged between 21 and 30 years formed the majority of respondents. These are individuals who have familiarised themselves with social media and rating platforms, using them in their daily life to evaluate products and services online (Miguéns et al., 2008). These platforms are an important marketing tool that young individuals trust and use when it comes to making a decision.

In terms of gender, 38.1% of respondents were male while the remaining 61.9% were female. As for education level, 30% of respondents have a school degree, 40.6% have an apprenticeship, 18.7% have a three-year university degree, 9.5% have a university degree of more than three years, and 1.2% have a doctorate degree or higher.

The survey comprised five items related to employment, rated on a 6-point Likert scale ranging from stages 1 (full agreement) to 6 (full disagreement). Survey's responses were analysed using the t-test, Spearman's correlation, and analysis of variance (ANOVA) with the least significant difference (LSD) method. Descriptive statistics, distribution of responses, and only statistically significant results are presented in the paper.

4 Results

The descriptive statistics presented in Table 1 show differences between the two variables, support and benefit. All items measuring support have a mode of 2, two items have a median of 2, and one item has a median of 3. In other words, the opinion to use employer rating platforms to transfer and share information is confirmed. On the other hand, the two items measuring benefit have a mode of 3 and 6 and a median of 3 and 4 respectively, indicating responses closer to full disagreement in the Likert scale.

Table 1. Descriptive statistics of survey responses

Item	N	Mean	Median	Mode	Standard deviation
I like to support my employer to be recognised as a good employer	308	2.67	2	2	1.391
I like to inform other people about my employer	309	2.65	2	2	1.379
I like to motivate potential candidates to apply	308	2.79	3	2	1.471
I like to provide feedback to my employer on an anonymous channel	308	2.97	3	3	1.540
Because the positive prestige of my employer has a positive influence on my prestige	307	4.12	4	6	1.610

The distribution of responses presented in Table 2 confirms the results and tendencies for all items. The first four items have a weak tendency to the stages 1 to 3. Surprisingly, the fifth item is the only item that exhibits a percentage of over 63.8% for stages 4 to 6. The fourth items averagely constitute 67.9% for stages 1 to 3. The results indicate a clear tendency of individuals using employer rating platforms to support other individuals. However, the results are not clear on whether or not individuals use employer rating platforms to seek benefits.

Table 2. Distribution of survey responses, Results presented in percentage (%); N = 307 – 309

ITEM	1 (FULL AGREEMENT)	2	3	4	5	6 (FULL DISAGREEMENT)	STAGE 1 – 3	STAGE 4 – 6

I LIKE TO MOTIVATE POTENTIAL CANDIDATES TO APPLY	22.7	25.6	22.4	15.3	7.5	6.5	70.7	29.3
I LIKE TO INFORM OTHER PEOPLE ABOUT MY EMPLOYER	20.7	33.0	23.3	12.3	4.5	6.1	77.0	23.0
I LIKE TO SUPPORT MY EMPLOYER TO BE RECOGNIZED AS A GOOD EMPLOYER	20.1	34.7	20.8	12.7	5.8	5.8	75.6	24.4
I LIKE TO PROVIDE FEEDBACK TO MY EMPLOYER ON AN ANONYMOUS CHANNEL	19.5	24.0	24.4	12.7	10.6	8.8	67.9	32.1
BECAUSE THE POSITIVE PRESTIGE OF MY EMPLOYER HAS A POSITIVE INFLUENCE ON MY PRESTIGE	7.2	12.1	16.9	16.6	19.5	27.7	36.2	63.8

In terms of the influence of demographic factors, age and gender were not found to be statistically significant factors in the use of employer rating platforms. This finding on gender is consistent with previous work that reported no statistically significant gender differences in the use of social media platforms (Sander et al., 2016). Spearman's correlation showed that only work experience was negatively correlated to the item "Because the positive prestige of my employer has a positive influence on my prestige", with a correlation coefficient of -0.180 ($p = 0.003$, n = 272). This indicates that individuals with more work experience are less involved in the use of employer rating platforms as compared to individuals with less work experienced.

To analyse the influence of education level, ANOVA with the LSD method was used. Statistically significant mean differences among the education levels were found for three of the five survey items. For the item "I like to inform other people about my employer", statistically significant differences between different education levels were found. The results are presented in Table 3.

Table 3. The mean difference between education levels for the item "I like to inform other people about my employer"

Education (I)	Education (J)	Mean Difference (I–J)	Standard Error	Sig.
University degree of more than three years (i.e. Master's degree)	Apprenticeship	0.600	0.300	0.047
	Three-year university degree (i.e. Bachelor's degree)	0.900	0.330	0.007
Doctorate degree or higher	School degree	1.663	0.799	0.038
	Apprenticeship	1.693	0.795	0.034
	Three-year university degree (i.e. Bachelor's degree)	1.994	0.807	0.014

For the item "I like to motivate potential candidates to apply", statistically significant differences were found among the education levels of doctorate degree or higher, school degree, apprenticeship, and three-year university degree. The mean difference between doctorate degree or higher and university degree of more than three years was not statistically significant. The results are presented in Table 4.

Table 4. The mean difference between education levels for the item "I like to motivate potential candidates to apply"

Education (I)	Education (J)	Mean Difference (I–J)	Standard Error	Sig.
Doctorate degree or higher	School degree	1.831	0.864	0.035
	Apprenticeship	1.886	0.860	0.029
	Three-year university degree (i.e. Bachelor's degree)	2.119	0.873	0.016

For the item "I like to provide feedback to my employer on an anonymous channel", statistically significant differences were found among the education levels of university degree of more than three years, school degree, and three-year university degree. The results are presented in Table 5.

Table 5. The mean difference between education levels for the item "I like to provide feedback to my employer on an anonymous channel".

Education (I)	Education (J)	Mean Difference (I–J)	Standard Error	Sig.
University degree of more than three years (i.e. Master's degree)	School degree	0.835	0.350	0.018
	Three-year university degree (i.e. Bachelor's degree)	0.789	0.374	0.036

These results do not indicate a stable continuous influence of education level on the different survey items as statistically significant differences were only reported for some survey items. The results do not present a general difference among the demographic factors.

5   Discussion and Practical Implications

Overall, the results confirm the importance and use of employer rating platforms in exchanging information. The first statement "Individuals use employer rating platforms to exchange information about their employers to support other individuals" was positively rated in the survey and hence, confirmed. Individuals like to use employer rating platforms to support others by providing information about their companies that can encourage or discourage job seekers in applying to their companies. This want to support others seems altruistic and intrinsic. Companies could utilise this intrinsic motivator by having their employees be ambassadors and promote the companies on employer rating platforms.

However, the second statement "Individuals provide information on employer rating platforms to seek benefits" was not confirmed. Based on the results, it does not seem that individuals use employer rating platforms to obtain benefits for themselves. Individuals are neither keen to improve their prestige nor make others feel obligated to them for having provided information. They would not use the chance to notify their employers through anonymous feedback on employer rating platforms to improve their working conditions. Further analysis is required to examine this statement.

In terms of demographic factors, the results have provided an interesting insight regarding education level which was found to influence the use of employer rating platforms. Individuals with higher education levels were more motivated to use employer rating platforms. Work experience was found to have a negative influence on only one item "Because the positive prestige of my employer has a positive influence on my prestige". In terms of gender, no statistically significant difference between male and female respondents were found; this is consistent with past research that examined gender differences in other social media platforms. Age was also not found to be a demographic factor that influences the use of employer rating platforms.

The current study only looked at the variables of support and benefit. Future research could examine further the motivation of individuals towards the discussion about the prestige of their company, and how it affects them proceeding to their next move of employment. Future research could also adopt a multicultural perspective by examining companies in different companies or multinational companies that have branches in different locations.

The results of the study highlight the importance of employer rating platforms and why individuals share information on these platforms. This study is important for companies to understand employee behaviour and why there is a need to motivate their employees to publish information on these platforms. Companies need to utilise employer rating platforms as a way to present their company favourably to potential candidates and job seekers.

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