
Does Organization Good Image Help to Attract and Retain Talented Employees: Employees Perspective

Muhammad Irshad

Ph. D Research Scholar Department of Management Sciences

Abasyn University Peshawar, Pakistan

Email: mikhaans@gmail.com

Gohar Zaman

Associate Professor, Islamia College University, Peshawar

Shahid Jan Kakakhel

Associate Professor, Abdul Wali Khan University, Mardan

Abstract

Organization's recognition of the significance of attraction and retention of talented employees is essential for its survival and growth as organizational competencies are derived from its human capital. Organizations strive to create positive environment marked with challenging assignments that facilitate to foster personal growth and develop organization's image as a place endowed with motivated work place. The paper attempts to determine role of organization image in attracting, retaining and maintaining its employees as a force multiplier. The study administered 300 questionnaires to the target employees and received back 266 duly filled. The data was analyzed by using SPSS software. Result show that organization good image have significant role in employees attraction and retention.

Keywords: Organization image, talented employees, talent pool, talent attraction, talent retention, competitive edge

For every organization, strategic staffing has become an important issue because the ability to attract and hold highly talented employees can be crucial to future survival (Ettorre, 1997; Whitner, 2001). In this global world where employees of choice are change into employer of choice. Employees switching from organization to organization have become common practice. Normally, employees wish to work in an organization which holds good image in the industry. Organization good image is very significant element for attraction and retention of employees. In early era, organization worked on different motivational factors to satisfy their employees from all aspect. Whereas, in today global world, where everything

is changing very fast, employees have option to get access for job across the border and similarly organization also hire the employees from anywhere in the world. Initially, organization competed in the local market while nowadays ready to compete in international market. Organization needs to build up and maintain a good image not only for local the market but also for representation worldwide.

The successful attraction of talented individual depends upon the organization characteristics as well as candidate characteristics or the combination of both. The purpose of this study is to investigate “up to what level organization image is influenced by attraction as well as retention of employees”. Organization image is considered at the initial stage of individual attraction toward job. According to Turban & Forret (1998), job application plays vital role in the attraction of candidates. But, the question is that “what is the reason behind the candidate’s attraction and decision to apply for job?” The answer is, organization reputation or / and image which holds the organization in the industry. Researcher Zinknan et.al (2001), define that organization image is the perception of public about the organization. The survival of organization depends upon attracting the best talent from the marketplace, hiring them and retaining them for maximum period of time. The organization job, practices and procedures do not influence the attraction of individual, but its image plays vital role in their attraction.

Organizations strive to create positive environment marked with challenging assignments that facilitate to foster personal growth and develop organization’s image as a place endowed with motivated work place. The paper attempts to determine role of organization image in attracting, retaining and maintaining its employees as a force multiplier.

Literature Review

Employee attraction and retention are significant issues faced by organization due to the shortage of skilled worker, employee turnover and economic growth. Johnson (2000) defines

the employee retention as “the ability of organization to hold onto their talented employees which organization wants to keep/ sustain for longer period than its competitors. The analysis of employee retention considered more at single level because the retention influence arises at multiple levels (Klein et al., 1994; Klein & Kozlowski, 2000; Raudenbush & Bryk, 2002). Nowadays, demand for talented worker has been increased as compared to the past. Research study concludes that salaries are not sufficient for retention but prolific, dynamic and flexible work environment and cultural context also play pivotal role in attracting & retaining talented employees.

The human resource is the strength of organization and source of survival and catches the competitive edge for organizations (Pfeffer, 1994). According to the findings of Arthur (1994), human resource policies affect outcomes by shaping workers attitudes and behavior. Human Resource Management is purportedly being considered as a strategic staff enterprise (SSE) aligned with organizational vision, mission and values. Now, it is vital to give greater attention and important to measure and enhance workers and organizational performance; affirmative action and equal employment opportunity policies formulated and implemented by human resource managers have greatly contributed toward the management of diverse workforce; recruitment and selection techniques become more sophisticated; job design and job processes become more technological and creative, and employees benefits organism have compartmentally expended.

According to the recommendations of Lucille & Jean-François (2004)m employee retention is key strategy for organization to achieve financial success. The challenge of employee retention will be increasing day by day. According to Morgan (2008) head-hunting is not an easy job, do not make it easy. Raudenbush & Bryk (2002) also recommended that employee retention is significant for organization since it has nested relationship within employees and it is part of external environment.

Kehr (2004), explains that the implicit retention factors in spontaneous, expressive and pleasurable behavior can be divided into three variables; power, achievement and affiliation. Power refers to dominance and social control. Achievement is when personal standards of excellence are to be met or exceeded and affiliation refers to social relationships which are established and intensified.

Organizations make enormous efforts to attract handful of employees and sustain them in the organization. In today's business scenario, only high salary and designation are not significant for employees' attraction and retention, but other factor like organization good image also play important role. Organization utilizes extensive range of human resource management factors influence in employee commitment and retention (Stein, 2000; Beck, 2001; Clarke, 2001; Parker and Wright, 2001).

The concept of employee value match with organization means jobs matching with employees in term of skill, knowledge, qualifications, ability and others characteristics of employees (Edward, 1999). However, due to the complexity of increasing work, organization adopts more employees' selection methods to capture the candidate capability to perform the work. Researcher Wilk et al. (1995) and Wilk and Sackett (1996), recommend that employees gravitate to work with intricacy levels match with employee ability. According to Smith (1994), employee selection strategy of right man for right job, also improves the commitment and fits between employee and other work aspects such as organizational fit and personality fit.

Person value match with job is considered in the perspective of employee selection and based on the beliefs of employee value congruent with organization, or person and organization goals (Kristof, 1996; Netemeyer et al., 1997). According to Kidron, (1978), Steers, (1997), organizational fit concept identifies confluent goals and recognized the employee and organization value as an important aspect of affective commitment. Research explained

that organization fit as employee cooperation and willingness toward organization and proposed that requisite disposition to work together (Barnard, 1938). According to Cable and Judge (1997), employee selection process should also consider improving congruent between employee values and corporate culture (Irshad, 2011).

Bernstein (1986), every organization desired to build up and maintained good image in the marketplace. A single organization cannot ignore the importance of organization image. Organization image may be build up deliberately or accidentally but it impacts over the behavior of the public and also helps managers to communicate their message more efficiently. Organization image is the notion or mental picture and impression of organization on public. The impression may be through advertisement, reputation or delivery of organization mission. The mental picture may be build up via organization name, value judgment or symbols etc.

The Organizations build up their image in public through rational or emotional way. Rational determines the real knowledge and experience about the organization, whereas the emotion is individuals opinions, view points, impressions, considerations and beliefs about the organization. Lievens and Highhouse (2003) categorized the rational factor and emotional factors. Existence pay package, characteristics, promotion, offered flex time and other tangible factors are declared rational factors. Whereas, the emotional factors are the individual opinions, view point, impressions, considerations and beliefs about the organization which individual exercises it as the substitute of organization knowledge (Dowling, 1986). According to Atevson (1990), maximum time individual do not determine the true image of the organization due to less information available in the market, public is not much aware about the organization or / and applicant don't have a time to capture the true picture of the organization. Commonly, the emotion factors are intangible and distinguishing organization in the marketplace. All these together distinguish organization in the marketplace and form organization image.

Organizations desired to build and communicate positive image to the public.

Research Methodology

Employees of Federal Board of Revenue (Regional Tax Office) Peshawar, Pakistan were considered as population for this study. The research method consists of employee's survey of Federal Board of Revenue (Regional Tax Office) Peshawar. The questionnaire was developed based on studies of literature. Simple random sampling procedure was applied in Federal Board of Revenue (Regional Tax Office) Peshawar. About 300 employees were randomly selected. The questionnaire was distributed among the 300 selected employees, however only 266 employees gave feedback. Out of 266, responses of 18 employees were found incomplete and not included. The remaining was analyzed by using SPSS software.

Data Analysis

Good image of organization has positive impact on employee attraction and retention. The aim of this study was to investigate that how much organization good image is helpful in talent attraction and retention. To get the valid result, this section has questions regarding organization good image and reputation and its impact on talent attraction and retention

Organization good image Vs. Talent attraction

The present study was undertaken to investigate that how much organization image is helpful in employee attraction and retention. Candidates apply for the job in those organizations, which hold positive reputation and good image in the industry. The respondent responses for talent attraction and organization image were cross tabulated. The response showed that 12.1% respondents were strongly disagreed, 20.2% were disagreed, the response of 16.9% were neutral, however, 28.2% were agreed and 22.6% were strongly agreed with given statement. Here, the Chi-square value =

34.469 reflects the relationship between two variables. P-value = 0.005 less than the significance level which is 0.05, also supported for the acceptance of the question that organization good image plays vital role in talent attraction.

Table 1

Organization good image * Talent attraction Cross tabulation

		Organization good image				
		SD	D	NA	A	SA
Talent attraction	SD	8 (3.2)	8 (3.2)	6 (2.4)	6 (2.4)	2 (0.8)
	D	6 (2.4)	8 (3.2)	8 (3.2)	14 (5.6)	14 (5.6)
	NA	00	6 (2.4)	10 (4.1)	14 (5.6)	12 (4.8)
	A	10 (4.1)	12 (4.8)	10 (4.1)	28 (11.3)	10 (4.1)
	SA	6 (2.4)	2 (0.8)	12 (4.8)	16 (6.5)	20 (8.1)

The values in brackets are the percentage; Chi-square =34.469; p-value =0.005

SD=strongly disagree, D= disagree, NA/ND=neutral, A= agree, SA= strongly agree

Organization good image Vs. Talent retention

It is commonly observed that organizations good image and reputation play pivotal role in employee attraction and retention. In this section, good image of organization and employee wish to stay in an organization were cross tabulated, the aim of the question regarding good image of organization and reputation is helpful on talent retention or otherwise. The response showed that 9.7% respondents were strongly disagreed, 16.9% were disagreed, the response of 16.9% were neutral, however, 40.3% were agreed and 16.1% were strongly agreed with given statement. Here, the Chi-square value = 29.649 reflects the relationship. P-value = 0.020 was also supportive to the acceptance of the question that good image of organization help in employee retention. As the P value is less than the significance level which is 0.05. So the significance level shows that good image of organization is helpful in employee retention.

Table 2

Organization good image * Wish remain to stay retain in an organization Cross tabulation

		Organization good image				
		SD	D	NA	A	SA
Wish to remain to stay (retain) in an	SD	2 (0.8)	6 (2.4)	6 (2.4)	2 (0.8)	8 (3.2)
	D	10 (4.1)	6 (2.4)	6 (2.4)	14 (5.6)	6 (2.4)
	NA	8 (3.2)	6 (2.4)	6 (2.4)	16 (6.5)	6 (2.4)
	A	4 (1.6)	12 (4.8)	18 (7.3)	38 (15.3)	28 (11.3)
	SA	6 (2.4)	6 (2.4)	10 (4.1)	8 (3.2)	10 (4.1)

The values in brackets are the percentage; Chi-square =29.649; p-value =0.020

SD=strongly disagree, D= disagree, NA/ND=neutral, A= agree, SA= strongly agree

Conclusion

After the reviewing of literature and analysis of data, it has been concluded that in this modern era, only human resource practices are not sufficient to attract and retain the good talent of marketplace. Organization need to work on other area especially organization image and reputation to attract and retain the best talent of the marketplace. Organization image and reputation are considered the primary element for attraction of talent; it compiles the individual to apply for the job. Organizations need to build up positive image in the industry, which levels good impression on the public. The organization is required to create good image through advertisement and communication of their mission and message via fair pay package offered to employees, good leadership style and establishes family support program. Organizational justice is also not ignorable factor while creating good image of organization, it has been commonly noted that candidates surrender themselves to organization which followed fairness formula in all respect. Organization image leave psychological impacts on public, so exceptional attention should be given to it. Organization need to consider organization image as a strategic factor and during formulation of strategy, it should not be ignored.

In initial era, machinery and building were considered as the back bone of organization, now employers consider human resources as their most important and valuable assets. It is the

resource which creates competitive edge in the market as people make difference between competitors. The retention of employees at a work place is long been an issue of interest for the researcher, HR policy makers and academicians.

Organization image introduces and represents the organization so, MNCs organization required to create and communicate the organization image according to the culture in which they operate. When organizations advertise the vacant position, initially individuals apply and recruit themselves on the basis of organization image. The individual don't know about the organization culture and job procedures. At this stage, the individual assume everything about the organization on the basis of its image that it holds in public and consider the organization fit or match with his/her demographic background. When individual surrender himself/herself to organization and gain real knowledge about the organization means he/she knows the clear and real picture (image) of the organization, here employees decide to stay within an organization. So, organizations need to build good image and communicate the same clearly to public for attraction and retention of best talent of the industry.

References

- Arthur, J. (1994). Effects of human resource systems on manufacturing performance and turnover. *Academy of Management Journal*, 37, 670-87.
- Atevson, M. (1990). Organization: From Substance to Image? *Organization Studies* 11, 373-394.
- Barnard, C. (1938). *Functions of the executive*. Cambridge: Harvard University Press.
- Beck, S. (2001). Why associates leave, and strategies to keep them. *American Lawyer Media LP*, 5(2), 23-27.
- Bernstein, D. (1986). *Company image and reality: A critique of corporate communications*. Cassell.
- Cable, D.M. & Judge, T.A. (1997). Interviewer's perception of person organization fit and organizational selection decisions. *Journal of Applied psychology*, 82, 546-61.

- Clarke, K.F. (2001). What businesses are doing to attract and retain employee- becoming an employer of choice. In *Employee Benefits Journal*.pp. 34-37.
- Dessler, G. (1999). How to earn your employees commitment. *The Academy of Management Executive*.13(2), 58-59.
- Dowling, G. H. (1986). Managing your corporate images. *Industrial Marketing Management* 15, 109- 115.
- Edward, J.R. (1999). Person job fit: a conceptual integration, literature review, and methodological critique. In international review of industrial and organizational psychology, ed. C.L. cooper and I.T. Robertson. V6, John Wiley and Sons Ltd. pp. 283-357.
- Ettore, B. (1997). Making change (managing the changes made by new CEOs). *Management Review*, 85 (1), 13-19.
- Irshad, M. (2011). Factors affecting employee retention: evidence from literature review. *Abasyn Journal of Social Sciences*, 4(1), 84-102.
- Johnson, M. (2000). *Winning the people wars: Talent and the battle for human capital*. Prentice Hall.
- Kehr, H. M. (2004). Integrating implicit motives, explicit motives, and perceived abilities: The compensatory model of work motivation and volition. *Academy of management review*, 29(3), 479-499.
- Kidron, A. (1978). Work values and organizational commitment. *Academy of management Journal*, 21(2), 239-247.
- Klein, K. J., Dansereau, F., & Hall, R. J. (1994). Levels issues in theory development, data collection, and analysis. *Academy of Management Review*, 19(2), 195-229.
- Klein, K. J., & Kozlowski, S. W. (2000). *Multilevel theory, research, and methods in organizations: Foundations, extensions, and new directions*. Jossey-Bass.
- Kristof, A. L. (1996). Person-organization fit: An integrative review of its conceptualizations, measurement, and implications. *Personnel psychology*, 49(1), 1-49.
- Lievens, F.,& Highhouse, S. (2003). The relation of instrumental and symbolic attributes to a company's attractiveness as an employer. *Personnel Psychology* 56, 75-101.
- Netemeyer, R.G., Boles, J.S., McKee, D.O. & McMurrian, R. (1997). An investigation into the antecedents of

- organizational citizenship behaviours in a personal selling context. *Journal of Marketing*, 61, 85-98.
- Parker, O. & Wright, L. (2001). Pay and employee commitment: the missing link. *Ivey Business Journal*, 65(3),70-79.
- Pfeffer, J. (1994). *Competitive edge through people: Unleashing the power of the work force*. Boston: Harvard Business School Press.pp:147-150.
- Lucille, R.,& Jean-François, V. (2004). Rewarding and retaining key talent: are you ready for the recovery?, www.towersperrin.com
- Raudenbush, S.W., & Bryk, A. S. (2002). *Hierarchical Linear Models: Applications and Data Analysis Methods*.Thousand Oaks, CA: Sage Publications.
- Stein, N. (2000). Winning the war to keep top talent: yes you can make your workplace invincible. *Fortune*.141(11), 132-38.
- Smith, M. (1994). A theory of the validity of predictors in selection. *Journal of Occupational and Organizational Psychology*, 67(1), 13-31.
- Steers, R. M. (1977). Antecedents and outcomes of organizational commitment. *Administrative science quarterly*, 46-56.
- Turban, D. B., Forret, M. L., & Hendrickson, C. L. (1998). Applicant attraction to firms: Influences of organization reputation, job and organizational attributes, and recruiter behaviors. *Journal of Vocational Behavior*, 52(1), 24-44.
- Whitener, E. M. (2001). Do “high commitment” human resource practices affect employee commitment? A cross-level analysis using hierarchical linear modeling. *Journal of management*, 27(5), 515-535.
- Wilk, S. L., Desmarais, L. B., & Sackett, P. R. (1995). Gravitation to jobs commensurate with ability: Longitudinal and cross-sectional tests. *Journal of Applied Psychology*, 80(1), 79.
- Wilk, S. L., & Sackett, P. R. (1996). Longitudinal analysis of ability-job complexity fit and job change. *Personnel Psychology*, 49(4), 937-967.
- Zinkhan, G. M., Ganesh, J., Jaju, A., & Hayes, L. (2001). Corporate image: a conceptual framework for strategic planning. *Enhancing knowledge development in marketing*, 12, 152-160.