A Study on the Influence of Employer Brand on Engineers’ Organizational Embeddedness

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Abstract. To validate whether there was an influence of employer brand on engineers’ organizational embeddedness, we conducted a survey with 141 engineers in 3 large construction enterprises in China. The results showed that employer brand could significantly influence on the engineers’ organizational embeddedness ($r=0.753$, $P<0.01$). The four key factors of employer brand were compensation and benefits, promotion and growth, cultural atmosphere and organizational development. Chinese enterprises should enhance the organizational attractiveness through employer brand construction to reduce the engineers’ turnover rate.

Introduction

Economic globalization, technological advancement and the status uplifting of the customers, the organizations are confronted with increasingly complex competition and higher uncertainties in operation. The appearance of internet plus, big data and the intelligence have engrossed the traditional enterprises in more serious challenges. Innovation-driven development is inevitable for traditional enterprises to transform and upgrade. Engineers are engaged mainly in project system’s operation, design, management and evaluation, and are characterized by technicality, practicality and creativity. They are the major force of the enterprises’ technological innovation, and their organizational embeddedness is related with the retention of human capital and the core competitiveness of an enterprise. Employer brand is the comprehensive representation of enterprises’ human resources management level, which changes the present employees’ and potential employees’ employment experience, and further coordinate the relationship between employer and employees. However, the research on how employer brand exert its influence on engineers’ organizational embeddedness is still not abundant. Therefore, this study not only complements the present theories, but also helps enterprises improve their human resource management in practice, establish sound employer brand image, and enhance the attraction of the organization to engineers.

Literature Review

Employer Brand

Employer brand is the concept brought up by the British scholar Ambler and Barrow in 1990s. They think that employer brand is represented by the combination of the function, economic and psychological interest provided by the employment related to the employers. Backhaus (2004) points out that employer brand refers to the unique and appealing employer image built by the enterprises as employers. It emphasizes the the self-promotion of the enterprises to their external potential employees. Berthon, Ewing and Hah (2005) view that employer brand is the enterprise image established by the enterprise in the human resources market. It is the integration of popularity, honor and devotedness, which made both the potential and present employees view the enterprises as the
best working site. Lievens and Highhouse (2003) found that the job hunters focus more on the functional features and symbolic features when seeking jobs. The functional features include the payment, promotion opportunity, job steadiness, job busyness, working location and benefits. The symbolic features include sincerity, innovation, ability, reputation and health. Hans and Collins (2002) consider that the asset value of the employer brand exhibit in three dimensions: (1) brand popularity/familiarity with the employer. The job applicants’ employment decision is influenced by the enterprises’ popularity. (2) brand association. As same as consumers, when the job applicants have intense, joyful and unique associations of the employer brand, they are more likely to choose the employer. (3) perceived quality. The job applicants are influenced by the judgment that whether enterprises can fulfill their requirement. The research done by Kucherov, etc. (2012) strongly supports the great role employer brand plays in enterprises acquiring economic advantages, which is mainly suggested by the fact that it could bring relatively low turnover rate and high human resources investment productivity.

Organizational Embeddedness

The research on organizational embeddedness mainly originate from job embeddedness theory. Mitchell, etc.(2001) is the first to bring up the concept “job embeddedness”. They think that job embeddedness is like a net where people are deeply stuck. The highly embedded employees have many closely knit social connections. These social connections could embed in personnel’s social network in their work and life in different kinds of combination forms. Yao, etc. (2004) define the job embeddedness as “the combination of various powers that enable the individuals to continue their jobs”, which include marital status, community commitment as well as employment term. Jonathon (2008) suggests predictive mechanism of job investment and job embeddedness on performance and dismissal tendency through personnel investigation of 587 samples in the united states. After studying and investigating south African universities, Ndayiziveyi Takawira(2014) discovers that the staff with high job embeddedness have relatively low dismission tendency. Lee (2004) categorize job embeddedness into on-the-job embeddedness and off-the-job embeddedness. The former is the collection of forces that influence employees’ retention. Allen (2006) found that new employees’ on-the-job embeddedness, that is, the organizational embeddedness is negatively correlated to the voluntary dismission. Chinese scholars Luo Jing and Liao jianqiao (2006) consider that organizational embeddedness is the process of employees integrating with the sticky elements in the organization, which could bring much higher profit. If they are lost, the enterprises will suffer a much greater loss. Because of chinese people’s love for homeland and low mobility, when studying chinese personnel’s job embeddedness, the role of community is not so important as the organization embeddedness, which should be the core of the study.

Method

Participants and Procedure

In this research, the engineers who were selected should be qualified in two aspects: (1)they should be responsible for the engineering and technical work at the time being.(2)they should have professional qualifications for engineering and technical work. Through the university alumni, during May and June in 2015, three large construction enterprises: China State Construction Engineering Corporatio, China Railway Engineering Corporation and China Communications Construction Company Limited were selected. 200 printed questionnaires were handed out to the qualified engineers in subordinate companies of above three enterprises in Wuhan, among which 163 are returned, of which 141 were usable for data analysis. The effective recovery rate as high as 86.5%. The samples are consistent with the general distribution of these engineers in these above enterprises, and thus have universal representativeness.
Measures

This research collects the data by using questionnaires. The questionnaire is made up of 3 parts. The first part is about the basic information such as gender, education and age of the subjects. The second part is about the employer brand evaluation. The employer brand reflects the enterprises’ unique ability in attracting, retaining and motivating excellent talents and being able to differentiate them from competitors. Revision has been made based on the Chinese researcher Zhu Yongguo (2008)’s employer brand investigation scale. 11 items are designed to measure the 4 dimensions of employer brand: compensation and benefit, promotion and growth, cultural atmosphere, and organizational development. The third part is about the organizational embeddedness. Organizational embeddedness is the closeness level of the employees in organizational network, the individual’s overall dependence on the organization. This paper doesn’t choose the multi-dimensional questionnaire but the questionnaires designed by Crossly (2004) having 7 items. Which could reflect people’s understanding of the organizational embeddedness better. The second and the third part are ranked according to their acceptance level in the ascending order of 5 levels. Statistical analysis is being conducted on the data in this study using SPSS 19.0, such as validity and reliability examination, correlation analysis and regression analysis.

Results

Validity and Reliability

Validity and reliability examination is the important method to verify whether the questionnaire design is scientific and reliable. The validity mainly reflects the questionnaire’s reliability. The higher the validity is, the better the internal consistency of each item is, and more reliable the questionnaire is. The Cronbach’s Alpha for employer brand and organizational embeddedness scale are respectively 0.820 and 0.821, suggesting high validity of these two questionnaires. The content validity mainly measure whether the items in the questionnaire are reasonably expressed, whether they truly reflect the investigation need. The items in this questionnaire have been proved to have good content validity by previous research. Structure validity measures whether the measurement data in reality could prove or explain existing conceptions. This study uses the factorial analysis to test the structure validity. Through the test, the KMO score of employer brand and organizational embeddedness are respectively 0.829 and 0.811, suggesting good structure validity of these two questionnaires.

Correlation Analysis

Correlation analysis is the study on whether the variables are correlated, and the statistical method of exploring such correlation direction and correlation level. This study carries on correlation analysis on two variables: employer brand and organizational embeddedness, and discoveries that below the 0.01 confidence level, the employer brand and organizational embeddedness show significant positive correlation, with correlation level 0.753, shown in table 1. The correlation analysis on organizational embeddedness and 4 employer brand dimensions: compensation and benefit, promotion and growth, cultural atmosphere and organization development and two-tailed test below confidence level 0.01 suggest that the four dimensions of the employer brand show significant positive correlation with the organizational embeddedness, among which, the compensation and benefit show the most significant positive correlation with the organizational embeddedness, with the correlation level 0.859; the correlation level between promotion and growth, cultural atmosphere, organizational development and organizational embeddedness are respectively 0.543, 0.250, 0.429. The results are shown in figure 1.
Table 1. The correlation between employer brand and organizational embeddedness (N=141).

<table>
<thead>
<tr>
<th>Employer brand</th>
<th>Pearson Correlation</th>
<th>Sig (2-tailed)</th>
<th>Organizational embeddedness</th>
<th>Pearson Correlation</th>
<th>Sig (2-tailed)</th>
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<td>Employer brand</td>
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<td>.753**</td>
<td>.000</td>
<td>Organizational embeddedness</td>
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<td>organizational embeddedness</td>
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Note. ** P<0.01

![Diagram](image)

Figure 1. The influence analysis of employer brand on organizational embeddedness.

**Regression Analysis**

Multiple linear regression analysis is conducted, the 4 dimension of the employer brand as independent variables, the organizational embeddedness as dependent variable, to test the predictive ability of employer brand on organizational embeddedness. The adjusted coefficient of determination $R^2$ is 0.715, suggesting linear regression relation between independent variable and dependent variable. In the variance analysis result, the $F$ is 13.088, $P$ is 0.000, lower than significance level 0.01, suggesting that the model has statistical significance, the independent variable has significant linear relations with the dependent variable. In equation 1, $Y$ is organizational embeddedness, $X_1$ is compensation and benefits, $X_2$ is the promotion and growth, $X_3$ is the cultural atmosphere, $X_4$ is the organizational development. The employer brand image reflected by compensation and benefits exert the greatest influence on engineers’ organizational embeddedness.

$$Y = 1.373 + 0.336X_1 + 0.251X_2 + 0.071X_3 + 0.131X_4$$  \hspace{1cm} (1)

**Conclusion**

From this research, we found that employer brand was significantly correlated with the engineers’ organizational embeddedness. Building employer brand will bring positive influence on engineers’ organizational embeddedness. The four dimensions of employer brand all have significantly...
predictive role in the organizational embeddedness level, but there is difference is their influence level. The compensation and benefit has the greatest influence, the promotion and growth lies the second, the cultural atmosphere the least. The engineers is the important human resources in modern enterprises. Because the external competition is becoming more fierce, Chinese enterprises need to pay attention to the construction of employer brand to strengthen its organizational attraction to reduce the engineers’ turnover rate. Therefore, it is suggested that (1) clarify the compensation’s value orientation, representing the external and internal equality, constantly improve the overall welfare level on the premises of ensuring the reasonable profit, to provide reasonable return to the work of the engineers. (2) design multi-layer promotion ladder for engineers, broaden their career development scope, satisfy their career development desire. (3) strengthen the enterprises’ strategic management, timely convey their strategic intention to the personnel, bind their hearts through shared vision, so that the development of the enterprises could benefit the staff in the real sense. (4) establish positive and healthy enterprises’ culture, create harmonious personnel relationship and happy working atmosphere, strengthen engineers’s happiness and sense of belonging to the organization.

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References


