The Effect of Employer Brand on Employer Of Choice (EOC) Mediated By Person Organization Fit (PO-FIT) And The Moderation Role Of Social Media On The Relationship Of Person Organization Fit (PO-FIT) And Employer Of Choice (EOC) At STIBISNIS Polytechnic

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ABSTRACT

The purpose of this study is to analyze the influence of the dimensions of the employer brand (work culture, ethics & CSR, diversity and salary & incentives) on person organization fit (PO-Fit). In addition, this study aims to analyze the dimensions of employer brand on employer of choice (EOC) mediated by person organization fit (PO-Fit). Furthermore, this study also aims to analyze the influence of person organization fit (PO-Fit) on employer of choice (EOC) and the role of social media moderation on the relationship of person organization fit (PO-Fit) and employer of choice (EOC) on students of STIBISNIS Polytechnic. The method of data analysis used in this study was Structural Equation Modeling (SEM) using the SmartPLS application version 3.0. Data obtained through questionnaires distributed to 150 students of STIBISNIS Polytechnic. The first result shows that dimension of employer brand namely work culture and ethics & CSR has no effect on person organization fit (PO-Fit) while the other dimensions of employer brand are diversity and salary & incentives had a positive effect on person organization fit (PO-Fit). Second result shows that Person Organization Fit (PO-Fit) are able to mediate the dimensions of employer brand (work culture, Ethics & CSR, Diversity and Salary & Incentives) towards employer of choice (EOC). The third result shows person organization fit (PO-Fit) has a positive effect on employer of choice (EOC). And the fourth result of this study shows that social media is able to moderate the influence of person organization fit (PO-Fit) on employer of choice (EOC) on students of STIBISNIS polytechnic from management and accounting program.

Keywords: Employer Brand, Employer of Choice (EOC), Person Organization Fit (PO-Fit), Social Media.
Introduction

In recent years, organizations around the world have undergone changes or evolutions marked by global competition and increasingly rapid technological developments (Francis and Bessant, 2005). Competition for talent has become a challenge in business strategies for organizations to be able to attract and retain quality human resources (Price and Turnbull, 2007). Thus, organizations must look for more qualified human resources (HR). To survive in this competitive environment, organizations must look for human resources that can be used to gain a sustainable competitive advantage in their environment. One strategy in order to win the competition to get quality talent is to become the choice of employee organization or employer of choice (EOC) (Hult, 2011; Baker, 2014).

According to Herman and Gioa (2000a) in Tanwar (2019) the concept of employee organizational choice (EOC) implies that employees consciously choose to work for that organization over other organizations. In fact, EOC is not only an organization that employees want to work for but also an organization that they would recommend as the organization of first choice for a friend looking for work (Hult, 2011).

Previous research has argued that employer brands will help position the organization in the minds of potential employees as an employee organization choice (EOC) (Bramham, 2001; Rampl, 2014). Lievens (2007) argues that to become an EOC, an organization must start with developing a value proposition and promoting specific promises internally and externally. These are the two main ideas about the value proposition and the promise promoted through the employer brand (Backhaus and Tikoo, 2004).

Regarding the value proposition of the employer brand, Edwards (2009) shows that individuals prefer the organization as the preferred organization (EOC) due to the congruence of their interests and values with the company’s values. This is explained by means of Person-Organization Fit (PO-Fit). Person organization fit (PO-Fit) refers to the fit between individual values and organizational values (Kristof-Brown et al., 2005). It refers to the compatibility between the employee and the organization, on the one hand due to the compatibility between the beliefs, culture and values of the employee and the organization, on the other hand (Lauver and Kristof-Brown, 2001).

Having a strong employer brand will help the organization in attracting these professionals to the organization, and social media has now become a buzzword as a great tool for brand promotion (Kissel and Büttgen, 2015), because it helps promote the employer brand (corporate image), in front of the candidates. Social media not only influences people’s thinking but also facilitates the use of new methods to promote brands (Zhu et al., 2014). Several past studies have examined the role of social media in promoting employer brands (Madera, 2012; Sivertzen et al., 2013), but few studies have focused on the use of social media in the context of employer branding and employee organization choice (EOC) (Madera, 2012). When an employer brand is communicated positively, hence enabling potential employees to decide whether there is a match between their personal values and the values of the organization. It is also shown by Schein and Diamante (1988), that individuals are attracted to organizations based on the congruence between their own personality or characteristics and personality or organizational characteristics. This congruence can be achieved with the help of social media, which can communicate organizational values to employees. Thus, this study will investigate the role of social media as a moderator that can influence the strength of the relationship between person organization fit (PO-Fit) and employer of choice (EOC) compared to employees who have an independent relationship with employee organization choice (EOC).

All participants in this research are students who will carry out the internship process and work in company relations. This research is expected to provide an overview of the situation about the organization (company) as well as to convince them to choose to work in the organization. Furthermore, this research will also help provide information to STIBISNIS Polytechnic students about the company that will recruit these students so...
that students can decide whether they are suitable for an organization or company that will later serve as a place for internships and work in relation to organizational values and personal skills. This research will also provide an overview to the STIBISNIS Polytechnic, especially the internship and work placement department in choosing company relations that are adjusted to the level of suitability of students and companies, as well as preparing human resources in terms of skills so that STIBISNIS Polytechnic students become potential employees sought by companies. The students who were selected as respondents were asked to choose the company or organization they liked the most and wanted the most while answering questions while keeping that company or organization in mind. Questionnaires were distributed among 150 students. Most of the respondents are in the 17-20 year age group and a small proportion are in the 21-25 year age group. as well as preparing human resources in terms of skills so that STIBISNIS Polytechnic students become potential employees sought by companies. The students who were selected as respondents were asked to choose the company or organization they liked the most and wanted the most while answering questions while keeping that company or organization in mind. Questionnaires were distributed among 150 students. Most of the respondents are in the 17-20 year age group and a small proportion are in the 21-25 year age group. as well as preparing human resources in terms of skills so that STIBISNIS Polytechnic students become potential employees sought by companies. The students who were selected as respondents were asked to choose the company or organization they liked the most and wanted the most while answering questions while keeping that company or organization in mind. Questionnaires were distributed among 150 students. Most of the respondents are in the 17-20 year age group and a small proportion are in the 21-25 year age group. as well as preparing human resources in terms of skills so that STIBISNIS Polytechnic students become potential employees sought by companies. The students who were selected as respondents were asked to choose the company or organization they liked the most and wanted the most while answering questions while keeping that company or organization in mind. Questionnaires were distributed among 150 students. Most of the respondents are in the 17-20 year age group and a small proportion are in the 21-25 year age group. as well as preparing human resources in terms of skills so that STIBISNIS Polytechnic students become potential employees sought by companies. The students who were selected as respondents were asked to choose the company or organization they liked the most and wanted the most while answering questions while keeping that company or organization in mind. Questionnaires were distributed among 150 students. Most of the respondents are in the 17-20 year age group and a small proportion are in the 21-25 year age group.

Theoretical Review

Employer Brand

According to Tim Ambler and Simon Barrow 1996, the definition of an employer brand is "the package of functional, economic, and psychological benefits provided by the job, and identified with the employer’s organization". The relationship between organizations and employees provides a series of exchanges of mutual benefits (Ambler and Barrow, 1996). Employer brands offer the same benefits to employees as product brands offer to consumers, including developmental and/or useful activities (functional), material or monetary rewards (economic) and feelings such as belonging, direction and purpose (psychological) (Ambler and Barrow, 1996). The employer brand applies marketing principles to human resource (HR) activities currently working and potential employees (Backhaus and Tikoo, 2004; Edwards, 2010).

Person-Organization fit (PO-Fit)

Person-Organization fit (PO-Fit) is defined as "the compatibility between people and organizations that occurs when at least one entity provides what others need or they have the same fundamental characteristics or both" ((Kristof-Brown, Zimmerman and Johnson). (2005).

Employer Of Choice (EOC)

The choice of employee organization (EOC) means that the organization has been able to create an image as a great place to work in the minds of potential applicants (Tanwar and Kumar, 2019). Therefore, preferred employee organization (EOC), refers to organizations in which talented employees aspire to work, as a result of the company’s reputation and employer image.

Social media

Social media is defined as a digital platform where users can create pages, connect with other users, produce and distribute content, and engage in interactive communica-
tions (Boyd and Ellison, 2007; McFarland and Ployhart, 2015). New social media platforms emerged, while some previously popular platforms experienced a strong decline in user numbers and some closed. Social media allows organizations to reach out or find additional information about potential applicants, therefore these platforms have the potential to influence the recruitment and selection function within organizations (McFarland and Ployhart, 2015).

![Framework of thinking](image)

**Research Methodology**

Data analysis in this study used the Structural Equation Modelling (SEM) program which was operated through the Smart PLS 3.0 program. The population in this study were students of the Tegal Stibusiness Polytechnic from the Management and Accounting study program with a total of 213 students, with a sample of 250 students.

**Results and Discussion**

Based on data processing that has been carried out using the smartPLS 3.0 program, the R-Square value is obtained as follows:

<table>
<thead>
<tr>
<th>Variable</th>
<th>R-Square Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person Organization Fit (PO-Fit)</td>
<td>0.372</td>
</tr>
<tr>
<td>Employer Of Choice (EOC)</td>
<td>0.367</td>
</tr>
</tbody>
</table>

(Source: Processed primary data, 2020)

Based on the data presented in table 5.3 it can be seen that the R-Square values are 0.372 and 0.367, this means that the variable person organization fit (PO-Fit) can be explained by exogenous variables, namely work culture, ethics and CSR, diversity and salaries & incentives of 37.2%. While the endogenous employer of choice (EOC) variable can be explained by the model by 36.7%.

Based on the results of the calculation of the influence of work culture, ethics & CSR, diversity and salary & incentives on the choice of employee organization (EOC) mediated by person organization fit (PO-Fit), the following results can be obtained:
a. Test the work culture hypothesis on Person organization fit

Based on the results of the calculations that have been carried out, a significance of 0.686 was obtained. The significance of 0.686 is greater than 5%, meaning that the first hypothesis is that work culture has a positive effect on person organization fit (PO-Fit) or H1 is rejected. With these results, it can be concluded that the test shows that work culture has no effect on person organization fit (PO-Fit).

b. Ethics & CSR hypothesis testing on Person organization fit (PO-Fit)

Based on the results of the calculations that have been carried out, the results obtained a significance of 0.562. The significance of 0.562 is greater than 5%, meaning that the second hypothesis, namely ethics & CSR has a positive effect on person organization fit (PO-Fit) or H2 is rejected. With these results it can be concluded that the test shows that ethics & CSR have no effect on person organization fit (PO-Fit).

c. Diversity hypothesis test against Person organization fit (PO-Fit)

Based on the results of calculations that have been done, obtained a significance of 0.000. The significance of 0.000 is less than
5%, meaning that the third hypothesis, namely diversity, has a positive effect on person organization fit (PO-Fit) or H3 is accepted. With these results, it can be concluded that the test shows that diversity has a positive effect on person organization fit (PO-Fit).

d. Hypothesis test Salary & incentives on Person organization fit (PO-Fit)

Based on the results of calculations that have been carried out, the results obtained a significance of 0.036. The significance of 0.036 is smaller than 5%, meaning that the fourth hypothesis, namely salary & incentives, has a positive effect on person organization fit (PO-Fit) or H4 is accepted. With these results it can be concluded that the test shows that salary & incentives have a positive effect on person organization fit (PO-Fit).

e. Person organization fit (PO-Fit) hypothesis test on employee organization choice (EOC)

Based on the results of the calculations have been carried out, the results obtained a significance of 0.000. The significance of 0.000 is smaller than 5%, which means that the fifth hypothesis, namely person organization fit, has a positive effect on the choice of employee organization (EOC) or H5 is accepted. With these results, it can be concluded that the test shows that person organization fit (PO-Fit) has a positive effect on the employer of choice.

f. Hypothesis test Effect of social media in moderating the effect of person organization fit (PO-Fit) on Employer of choice (EOC)

Based on the results of calculations have been carried out, the results obtained a significance of 0.042. The significance of 0.042 is less than 5%, meaning that the sixth hypothesis, namely social media as a moderating variable, affects the relationship between Person Organization Fit (PO-Fit) and the choice of employee organization (EOC) or H6 is accepted. When social media and person organization fit (PO-Fit) are increasing, it will increase employee organizational choice (EOC). With these results it can be concluded that the test shows that social media is able to moderate the relationship between person organization fit (PO-Fit) and employee organization choice (EOC).

g. Mediation Effect Test

Hypothesis testing is used to determine whether person organization fit is able to mediate the influence between work culture, ethics & CSR, diversity and salary & incentives on the employer of choice. The results of the SmartPLS calculation are as follows:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work culture-&gt; Person organization fit -&gt; Employer of choice</td>
<td>0.019</td>
<td>0.042</td>
</tr>
<tr>
<td>Ethics &amp; CSR -&gt; Person organization fit-&gt;Employer of choice</td>
<td>0.030</td>
<td>0.033</td>
</tr>
<tr>
<td>Diversity-&gt; Person organization fit -&gt; Employer of choice</td>
<td>0.218</td>
<td>0.001</td>
</tr>
<tr>
<td>Salary &amp; incentives -&gt; Person organization fit-&gt;Employer of choice</td>
<td>0.087</td>
<td>0.021</td>
</tr>
</tbody>
</table>

(Source: Processed primary data, 2020)

Based on the results of calculations that have been carried out, it is obtained that the significance of all variables is less than 5%, meaning that person organization fit (PO-Fit) is able to mediate the influence of work culture, ethics & CSR, diversity and salary & incentives on the employer of choice (EOC). A positive coefficient indicates a
positive indirect effect of the independent variable on the choice of employee organization (EOC).

h. Coefficient of Determination Analysis

Analysis of the coefficient of determination is used to determine how much exogenous variables work culture, ethics & CSR, diversity and salary & incentives can explain the endogenous variables of person organization fit (PO-Fit) and to find out how large the exogenous variables of social media, moderating and person organization fit (PO-Fit) and the indirect effect of independent variables can explain the endogenous employer of choice (EOC) variable. Then the following test results assisted by the SmartPLS program are:

<table>
<thead>
<tr>
<th>No</th>
<th>Description</th>
<th>Adjusted R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Person organization fit</td>
<td>0.355</td>
</tr>
<tr>
<td>2</td>
<td>Employer of choice</td>
<td>0.354</td>
</tr>
</tbody>
</table>

(Source: Processed primary data, 2020)

Based on the table above, it shows that the value of the coefficient of determination is indicated by the Adjusted R Square value of 0.355 and 0.354, this means that the endogenous variable person organization fit (PO-Fit) can be explained by exogenous variables, namely work culture, ethics & CSR, diversity and salary & incentives of 35.5%. Meanwhile, the endogenous employer of choice (EOC) variable can be explained by the model by 35.4%.

Conclusion

1. The results of the study that work culture has no effect on person organization fit (PO-Fit) The results of the study that ethics & CSR have no effect on person organization fit (PO-Fit)
2. The results of the study that diversity has a positive effect on person organization fit (PO-Fit).
3. The results of the study that salary & incentives have a positive effect on person organization fit (PO-Fit).
4. The results of the study that person organization fit (PO-Fit) is able to mediate the influence of work culture, ethics & CSR, Diversity and Salary & Incentives on the choice of employee organization (EOC).
5. The results of the study that person organization fit (PO-Fit) has a positive effect on the choice of employee organization (EOC).
6. The results of the study show that social media is able to moderate the effect of person organization fit (PO-Fit) on the employer of choice (EOC).

References


