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## **IMPROVING EMPLOYER ATTRACTIVENESS OF SALON MOZ5 BANDUNG THROUGH EMPLOYER BRANDING**

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*Abstract—Nowadays companies have to compete with their competitors, not only on products or services, but also on attracting employees. During the last couple of years, competition concerning attracting, recruiting, and retaining the best possible skilled employees has increased significantly. Without the right applicants, organizations are not able to develop the level of competitive advantage needed to compete in an unstable economy. As a consequence of those, companies are increasingly trying to make themselves as attractive employers on the labor market. One way to attract recruits and assure the current employees are engaged in the culture and the strategy of the firm is employer branding. In salon industry like Salon Moz5 Bandung, the need for professional employees is very important to satisfy customers. Because it affects the revenue of the salon. However, in February 2016, the revenue of Salon Moz5 Bandung decreased drastically. The capacity of the salon is not enough with the number of customers. It was because of the lack of applicants applying for jobs in the salon. One thing that can make applicants apply in a company is employer branding. It is important to know what factors attracts new employees and then make it as employer branding. The researcher is interested to analyze the effects of the location, corporate image, corporate social responsibility, task, and flexibility in working to employee attractiveness. The research is conducted to test several hypotheses which are; is there a significant effect of location, corporate image, corporate social responsibility, task, and flexibility in working to employer attractiveness and how to increase the number of applicants applying for jobs at Salon Moz5 Bandung. The analysis technique used in this research is the multiple linear regression. The respondents are 74 students of SMK N 9 Bandung majoring skin and hair care in 3rd years and alumnus who just graduated in 2016. The result of the analysis shows that the only factor that has a significant effect on employer attractiveness is corporate image. This research recommends to Salon Moz5 Bandung's owner to make a more well known corporate image, create a brand ambassador program, and socialize about Salon Moz5 Bandung to schools so the number of applicants will increase.*

*Keywords—location, corporate image, corporate social responsibility, task, flexibility in working, employer attractiveness, salon*

### **Introduction**

In this modern era, people are very concerned with beauty, especially women. Basically women want to always look beautiful. Various ways have been made one of them is by doing a beauty treatment. Along with this, the entrepreneur racing race to open a business beauty treatments one of which is the beauty salon. According to Usman (2015), there are five technical business of salon, they are general salon, children salon, office salon, special salon for patients in hospital and special salon for muslim woman (muslimah). Look from the trend in recent years the muslim salon is more attractive. It happened because the number of muslimah women in Indonesia is increasing. Also, muslimah women need a comfort in the privacy of the body which cannot be seen by the opposite gender. One of the cities that have a considerable Muslim salon is Bandung.

In Bandung, Salon Moz5 is a muslimah salon that has the most branches. Salon Moz5 is a kind of franchise salon, which been established since 2002 in Depok. The many of branches should have an impact on the amount of revenue, but this salon has experienced revenue declines dramatically. The lost was due to the many customers who leave the queue because not bear to wait too long. The long queues happened because the number of employees can not match the increasing number of customers. Salon Moz5 can not arrange the time of services because time of services is determined by the central Moz5 Salon. Even if there are so many customers waiting to be served, employees still serve based on the procedure. The owner realized that the number of employees affect the salon's income. So the owner decided to hired new employees. Process of hiring the employees already conducted by advertising in social media, in newspapers, also cooperate with school that have major skin and hair care. However, from November 2015 until Mei 2016 there is no applicant interested in applying to work in the salon Moz5.

Backus and Tikoo (2004) define that one way to attract recruits and assure the current employees are engaged in the culture and the strategy of the firm is employer branding. Employer branding as the process of building an identifiable and unique employer identity, by promoting, both within and outside the firm, a clear view of what makes a firm different and desirable as an employer (Backhus & Tiko, 2004). Sullivan (1999) said that the first step in the employer branding process is to define the employer value proposition or employer brand proposition of the company, to describe what makes working for the specific company a unique and desirable experience. Moreover, Mosley (2007) said that if the employer brand proposition wishes to show what potential and current employees can expect from the organization in terms of rational and emotional benefits. It means that the attractiveness of an employer plays an important role in this employer branding process (Broek, 2015). On the other hand Broek (2015) reviewed that there are 22 job and organizational characteristics that determine the attractiveness for targeted employer, five of them are location, organizational image, corporate social responsibility, task and fleksibility working. Based on the literature review, interested applicants registering a job because the employer branding. This research want to find factors in employer branding that can affect employer attractiveness and to propose recommendation to increase the number of applicant to Salon Moz5 Bandung.

## Literature Review

### A. Definition of Branding

According to American Marketing Association, a brand is used to differentiate the goods and services of one seller with their competitors by a name, term, sign, symbol, design, or a combination of these (Sparow & Otaye, 2015).

Kotler and Keller (2006) also defined branding as the process of creating mental structures that helping consumers to obtain knowledge about the product or service so as to ease decision making on purchase by brand creation and development.

### B. Definition of Employer Branding

According to Backhaus and Tikoo (2004), employer branding is the application of the idea of branding principles to Human Resources Management. This concept is being increasingly used for attracting prospective employees while engaging the present employees to the organization (Sokro, 2012).

Armstrong (2006) also contends that, employer branding is the creation of a brand image of the organization for prospective employees and will influenced by the reputation of the organization as a business or provider of services as well as its reputation as an employer.

Ambler and Barrow (1996) defined employer branding in terms of benefits, calling it the package of functional, economic and psychological benefits provided by employment and identified with the employing company. Further, employer branding or employer brand management involves internally and externally promoting a clear view of what makes a firm different and desirable as an employer (Broek, 2015)

**C. Employer Branding and Employer Attractiveness**

The employer branding concept consist of several steps. The first step of employer branding process is to define what makes working for the specific company a unique and desirable experience by determine the employer value proposition or employer brand proposition of the company (Sullivan J. , 2002). Mosley (2007) stated that "The employer brand proposition needs to show what prospective and current employees can expect from the organization in terms of rational and emotional benefits". The attractiveness of an employer plays an important role in this step because an employers' value proposition is perceived and evaluated based on the attractiveness of an organization (Broek, 2015). The more attractive an employer is perceived by potential employees, the stronger that particular organizations' employer brand equity (Berthon et al., 2005). Tuzuner and Yuksel (2009) called this first step of employer branding' or pre-phase of employer branding is the employer attractiveness phase. Tuzuner and Yuksel (2009) argued that the next step of employer branding involves carrying the brand promise made to recruits into the firm. In other words, this last step consists of internally marketing the employer brand (Lievens, Van Hoye, & Anseel, 2007) .

**D. Phases of Employer Attractiveness**

According to Cable and Judge (1996) employer attractiveness is seen as a multidimensional construct consisting of job and organizational characteristics. Moreover Behling, Labovitz and Gainer (1968) mentioned that there are three theoretical perspectives to explain how job seekers determine the attractiveness of a job and organization. Which are (1) the objective factor theory, based on weighing of advantages and disadvantages, (2) the subjective factor theory, based on the fit between the personal emotional needs and the subjective image of the firm and (3) critical contact theory, based on the difference in treatment during the recruitment process.

**E. Employer Attractiveness Elements**

Chapman et al. (2005) mentioned that type of work, work environment, organizational image, person – organization fit and perceptios of the recruitment process have correlation with job and organizational attractiveness. Following those approach, Broek (2015) provide job and organizational characteristic from the academic fields of employer attractiveness, employer branding and organizational attractiveness by study literature. The studies that empirically found evidence for the attractiveness of certain elements were included that constituted of different dimensions of relevant job- and organizational characteristics (Broek, 2015). Five of them are location, organizational image, corporate social responsibility, task and fleksibility working.

**F. Theoritcal Framework**

This research will focus on general job and organizational elements that determine the attractiveness for targeted employee of salon Moz5. The constructs in this study are chosen based on decision with owner of Salon Moz5 Bandung. The following figure 1 gives an overview of the constructs in this study.

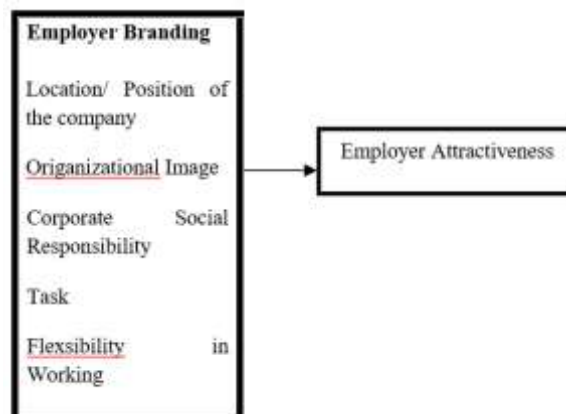


Figure 1. Theoritcal Framework

Hence, the hypotheses are outlined as below;

H<sub>1</sub> :There is significant effect between Location/ Position of the company and Employer Attractiveness

H<sub>2</sub> :There is significant effect between Organizational Image and Employer Attractiveness

H<sub>3</sub> :There is significant effect between Corporate Social Responsibility and Employer Attractiveness

H<sub>4</sub> :There is significant effect between task and Employer Attractiveness

H<sub>5</sub> :There is significant effect between flexibility in working and Employer Attractiveness

## Methodology

### G. Collecting Data

After doing literature review, the researcher developed the research instrument. This research used questionnaire to know what organizational elements are perceived as important by students of skin and hair care of SMK N 9 Bandung for the attractiveness of an employer salon Moz5 Bandung. This research use questionnaire from Broek (2015). The reason using instruments from Broek (2015) because it made from study literatutre from papers of employer attractiveness. Population in this research is all students on SMK N 9 Bandung in third year and have graduated this year. There are 90 students. In this research, researcher used level of significance ( $\alpha$ ) is 5%. So, the samples that researcher needed for the questionnaire is 74 respondents. The researcher used online questionnaire and direct questionnaire. Online questionnaire is intended for alumni students of SMK N 9 Bandung major beauty skin who just graduated this year, this is because researcher distress collect them so researcher distributed questionnaires through social media. The advantages spread of the questionnaire through online is can spread in large numbers and save costs. To direct the questionnaire is attended to the students of SMK N 9 Bandung majors beauty of skin and hair who grade 3rd years. Researchers come to the school and asked permission to distribute the questionnaire. The advatages of questionnaire directly is a time of rapid and also researcher can talk with the respondent regarding their interest in choosing a job.

### H. Analyzing Data

After data collection is done, the next is processing the data that has been obtained and perform data analysis. The questionnaire will be used as trusted and accurate tool for gathered data if pasted validity and reliability test using SPSS software. After that, classic asumption test is needed. Classic assumption test is statistic requirement that must be done in multiple linear regression analysis (Everrit, 2002). Classic assumption test that often used is multicollinearity test, heteroscedasticity test, normality test, autocorrelation test, and linearity test. If the data did not pass the classic assumption test, there are other ways to solve it such as transforming the data and re-test it using multiple regressions or replace the regression technique with other technique that suitable with the research (Nisfiannoor, 2009). To analyze the data in this research, multicollinearity, heteroscedasticity, normality, and autocorrelation test will be needed.

## Data Analysis

### I. Validity

This research used validity test to measure the data whether valid or not, before the data was tested to find the correlation between variables. The result of validity test is shown in the Table 1 (see Appendix). With the total sample ( $n$ ) = 74 and significance level = 0.05 then obtained the R table is 0.2287. Based on the table 1, we can see that the value of correlation coefficient in each indicator in each variables is more than R table, which means that the data has been measured accurately or it can be said that the data is valid.

### J. Reliability

Reliability test was conducted by using Cronbach Alpha statistical test. The data can be said reliable if the value of Cronbach Alpha > 0.60 (Ghozali, 2005). The result of the reliability test is shown in the Table 2 below.

### Reliability Statistics

<u>Cronbach's</u> Alpha	N of Items
,907	21

Table 4 Heteroskedasticity Test

Based on the table 2 above, the Cronbach Alpha's value of all question is more than 0.60, which means that the data is reliable and the analysis process of the hypothesis is can be continued.

#### K. Multicollinearity

The purpose of multicollinearity test is to find whether there is a correlation between one variable to other variable. A good model regression is not containing correlation between independent variables (no multicollinearity). Ghozali (2005) stated that to find multicollinearity is by seeing the value amount of Variance Inflation Factor (VIF) and value of tolerance. It can be assumed that there is no multicollinearity if the  $VIF < 10.0$  or the value of Tolerance  $> 0.10$  (Ghozali, 2005). The result of the multicollinearity test is shown in the table 3 below.

Table 3 Multicollinearity Test

No	<u>Variabel</u>	<u>Collinearity Statistics</u>	
		Tolerance	VIF
1	Location	0.374	2.673
2	Corporate Image	0.401	2.492
3	Corporate Social Responsibility	0.407	2.459
4	Task	0.437	2.287
5	Flexibility in working	0.684	1.462

From table 3 it can be conclude that there is no correlation between one variable to other variables or not containing multicollinearity between the independent variables because the VIF values is less than 10.0 and the tolerance value is more than 0.10.

#### L. Heteroskedasticity with Glejser

The purpose of heteroskedasticity test is to see whether there are difference variants between one research to other research. An appropriate regression model is when there are no difference variants between one research to other research or it can be said as homoscedasticity. If the value of probability significance  $> 0.05$ , then the data is not containing heteroskedasticity (Ghozali, 2005). The result of the heteroskedasticity test is shown in the table 4 below:

Table 4 Heteroskedasticity Test

No	Model	Sig.
1	(Constant)	0.828
2	Location	0.999
3	Corporate Image	0.307
4	Corporate Social Responsibility	0.525
5	Task	0.981
6	Flexibility in working	0.514

Based on the table 4.4 above, it shows that each variables have significance value more than 0.05. So it can conclude that the regression model have no similarity variants from one research to others or not containing heteroscedasticity.

#### M. Normality Test

Normality test is an instrument to see whether the dependent and independent variables have a normal distribution or not. To detect the normal distribution can be used a statistical test. The statistical test that will be used in this research is Kolmogorov-Smirnov. Data can be said as a normal distribution if the significance value  $> 0.05$  (Ghozali, 2005). The result of the normality test is shown in the Table5 (see Appendix). Based on the table 5, it shows that the normal parameters ( mean and std. Deviation), test distribution is normal and calculated from data.

#### N. Autocorrelation

Autocorrelation is a statistical method to test whether in the linear regression model there is a correlation between the period t with the previous period (t-1). If there is a correlation, then the data is having an autocorrelation. An appropriate model regression is not containing autocorrelation. In this research, researcher used autocorrelation method with Durbin-Watson (DW test).

The result of the calculation of autocorrelation test is shown in the table 6 below:

Table 6 Autocorellation Test

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,603 <sup>a</sup>	.364	.317	2.02789	2.090

a. Predictors: (Constant), Flexibility in working, CSR, Corporate Image, Task, Location

b. Dependent Variable: Employer Attractiveness

Before calculate the autocorrelation test using SPSS software, researcher have to find the value of dU and dL based on the Durbin-Watson table. With total respondents (n) = 74, independent variables (k) = 5, and  $\alpha = 5\%$ , then the value of dU is 1.768 and dL is 1.464. Based on the table 4.6 above, the value of Durbin Watson is 2.090, which means it is located between dU (1.768) and 4-dU (2.232). It can be concluded that the data is not containing autocorrelation and can be continued to next step of regression.

*O. Multiple Linear Regression*

Multiple regression is a statistical method used to examine the relationship between one dependent variable and one or more independent variables. To use this method, the data have to pass classical assumption test including multicollinearity, heteroskedasticity, normality, and autocorrelation test. The result of the calculation of the multiple regression analysis test is shown in the table 7 (see Appendix).

Based on the table 7 it can be interpret in the equation below:

$$Y = -1.524 + 0.044 X_1 + 0.554 X_2 + 0.143 X_3 + 0.193 X_4 + 0,061 X_5$$

Y : Employer attractiveness

X<sub>1</sub> : Location

X<sub>2</sub> : Corporate image

X<sub>3</sub> : Corporate Social Responsibility

X<sub>4</sub> : Task

X<sub>5</sub> : Flexibility in working

*P. Hypothesis Test*

T-test was used to test the significant relationship between location (X<sub>1</sub>), corporate image (X<sub>2</sub>), corporate social responsibility (X<sub>3</sub>), task (X<sub>4</sub>), flexibility in working (X<sub>5</sub>) to employer attractiveness (Y) partially. T-test can be measured by the value of T and the significant value. If the T value > T table then the independent variable has a significant effect to the dependent variables. On the other hand, if the significant value of variable is less than 0.05, then the independent variable has significant effect to the dependent variable. The calculation of the t-test is shown in the table 8

Tabel 8 Result Hypothesis Test

Variable	T-Value	Sig	Result
Location	0.314	0.722	Not Accepted
Corporate Image	2.355	0.021	Accepted
Corporate Social Responsibility	0.556	0.580	Not Accepted
Task	0.692	0.492	Not Accepted
Flexibility in working	1.158	0.251	Not Accepted

**Conclusion and Recommendation**

Based on the multiple regression between location (X<sub>1</sub>), corporate image (X<sub>2</sub>), corporate social responsibility (X<sub>3</sub>), task (X<sub>4</sub>), flexibility in working (X<sub>5</sub>) to employer attractiveness (Y) that have been conducted. This research found that of the five hypotheses regarding the significant effect of location (X<sub>1</sub>), corporate image (X<sub>2</sub>), corporate social responsibility (X<sub>3</sub>), task (X<sub>4</sub>), flexibility in working (X<sub>5</sub>) to employer attractiveness (Y) there is only one hypothesis that accepted , that there is significant effect between Organizational Image to Employer Attractiveness. Then this research conducted interview and discussions with representatives of the students of SMK N 9 Bandung, about why corporate image significant effect on their interest in choosing work. The results of the interview is that they feel proud when working in a famous place, and they think by working in a place that is famous for its good service can increase revenues salon which also have an effect on their income.

Based on the discussions between with the target employee (student of SMK N 9 Bandung majoring skin care and hair). It found that to increase the number of applicant Salon Moz5 Bandung based on corporate image, the owner must make Moz5 salon is more famous among their community by create brand ambassadors who have image of the salon Moz5 (Muslim woman who was a teenager). Because today's teenagers be pegged or look at the famous figure among them. By choosing one of the artist hijab to be a brand ambassador, they would be interested in applying to work in the salon feeling is very famous salon. Then Moz5 salon should also be more to update thier instagram, because social media is being favored by their employee targets.