

# The role of social media in constructing employer reputation: Finland's "Best places to work"

International Business Communication

Master's thesis

Milla Taskinen

2011



# The role of social media in constructing employer reputation: Finland's "Best places to work"

International Business Communication  
Master's Thesis  
Milla Taskinen  
21 November 2011

Department of Communication  
Aalto University School of Economics

## **The role of social media in constructing employer reputation: Finland's "Best places to work"**

### **Objective of the Study**

The objective of the study was to investigate employer reputation at Finland's Best Places to Work, and especially study how the companies used social media in constructing it.

### **Methodology and Theoretical Framework**

The method of the study was a qualitative and interpretative case study with two case companies. The data were collected in two phases: (1) a review of the companies' online presence and social media engagement and (2) case company interviews with the companies' representatives. The theoretical framework is based on related fields of study that range from corporate reputation to recruitment, employer branding and employer reputation management, with an emphasis on how each is connected to social media.

### **Findings and Conclusions**

The main findings from the study corresponded with the views presented in the literature review. The case companies regarded employer reputation as an essential part of companies' operations and as a competitive advantage. Also, the findings indicated that an employer reputation is not the responsibility of any single department but rather that every member of the organization should be involved. While no single "right answer" for constructing a positive employer reputation emerged, online or offline, the conclusion was that such reputation requires the company to emphasise communications with its employees and other constituencies. Social media were still seen as relatively new channels and the companies' engagement levels were relatively low. But in general, the channels were in use, even if not extensively and the interviewees referred to several further plans. In relation to social media, the companies saw no need to rush but rather approach the matter through encouragement and allowing their employees to get comfortable with them, providing the employees with time to adjust and learn.

**Key words:** employer reputation, employer branding, social media, Best Places to Work, Great Place to Work Institute, case companies

## **Sosiaalisen median rooli työnantajamielikuvan rakentamisessa: Suomen parhaat työpaikat**

### **Tutkimuksen tavoitteet**

Tutkimuksen tavoitteena oli tutkia työnantajamielikuvaa Suomen parhaiden työpaikkojen (Finland's Best Places to Work) näkökulmasta ja perehtyä erityisesti sosiaalisen median rooliin sen rakentamisessa.

### **Tutkimusmenetelmät ja teoreettinen viitekehys**

Tutkimuksen metodi oli kvalitatiivinen ja tulkitseva tapaustutkimus. Tutkimuksessa oli kaksi case yritystä ja datan keräys tapahtui kahdessa vaiheessa. Ensimmäinen vaihe oli katsaus yritysten näkymiseen ja toimintaan verkossa ja sosiaalisessa mediassa ja toisessa vaiheessa haastateltiin yrityksen edustajia. Tutkimuksen teoreettinen viitekehys perustuu tutkimukseen liittyvien alojen, kuten yritysmielikuvan, rekrytoinnin, ja työnantajamielikuvan rakentamisen teorioihin, ja painottuu sosiaalisen median rooliin.

### **Tutkimuksen tulokset ja johtopäätökset**

Tutkimuksen tulokset heijastavat kirjallisuuskatsauksessa esiteltyjä näkökantoja. Case- yritykset näkivät työnantajamielikuvan oleellisena osana yritysten toimintaa ja selkeänä kilpailuetuna. Tulosten mukaan työnantajamielikuva ei ole vain yhden yksikön vastuulla vaan sen rakentaminen kuuluu osaksi kaikkien työntekijöiden arkea. Tutkimuksessa ei ilmennyt suoraa ”oikeaa vastausta” positiivisen työnantajamielikuvan rakentamiseen, verkossa tai sen ulkopuolella, mutta case-yritykset olivat yksimielisiä siitä, että se vaatii yritykseltä erityistä painotusta viestintään niin työntekijöiden kuin muidenkin sidosryhmien kanssa. Sosiaalinen media nähtiin edelleen verrattain uutena kanavana ja yritysten sitoutuminen siihen oli edelleen heikkoa. Sosiaalisen median kanavat olivat kuitenkin käytössä, vaikka eivät laajasti, ja haastateltavat näkivät useita mahdollisuuksia käytön lisäämiselle. Yritykset eivät nähneet tarvetta kiirehtiä kanavien käyttöönottoa vaan katsoivat tärkeämmäksi rohkaista henkilöstöä ja totuttaa työntekijät niiden käyttöön ja antaa heille aikaa oppia.

**Avainsanat:** työnantajamielikuva, sosiaalinen media, Best Places to Work, Great Place to Work Instituutti, case-yritykset

**TABLE OF CONTENTS**

1 INTRODUCTION ..... 7

    1.1 Research questions and objectives ..... 11

    1.2 Great Place to Work Institute ..... 13

    1.3 Positioning the study within IBC ..... 14

    1.4 Thesis structure..... 15

2 LITERATURE REVIEW ..... 16

    2.1 Corporate reputation ..... 17

    2.2 Recruitment practices in a networked world..... 24

    2.3 Employer branding ..... 32

    2.4 Constructing employer reputation..... 36

    2.5 Social media and employer reputation ..... 41

    2.6 Theoretical framework ..... 45

3 DATA AND METHODS..... 47

    3.1 Data collection..... 50

    3.2 Trustworthiness of the thesis..... 53

4 FINDINGS..... 55

    4.1 Review of employer online presence ..... 56

    4.2 Interview findings ..... 66

5 DISCUSSION..... 77

6	CONCLUSION .....	84
6.1	Research summary.....	84
6.2	Practical implications.....	86
6.3	Limitations.....	87
6.4	Recommendations for further research .....	89
	REFERENCES.....	91
	APPENDICES .....	100

**LIST OF TABLES**

Table 1. Rethinking the nature of corporate communications ..... 24

Table 2. Best Practices for social media engagement..... 44

Table 3. Contacted companies..... 50

Table 4. Case companies' social media presence ..... 62

**LIST OF FIGURES**

Figure 1. Relationship: communications, perceptions and reputation ..... 18

Figure 2. Argenti’s Reputation Framework ..... 19

Figure 3. Communications, perceptions and reputation online ..... 22

Figure 4. Mapping internal identity and external image..... 34

Figure 5. Employer branding framework..... 35

Figure 6. The four elements of employer reputation ..... 38

Figure 7. Theoretical Framework visualisation..... 46

Figure 8. Interactive model of research design..... 48

Figure 9. Theoretical framework, part 1 ..... 78

Figure 10. Theoretical framework, part 2 ..... 80

Figure 11. Current social media communications in case companies ..... 81

# 1 INTRODUCTION

*"Gourville's rule of thumb states that one will underestimate the advantages of a new technology by a factor of 3 while simultaneously overestimating the disadvantages of giving up old technology by a factor of 3. This means that unless a new technology is ten times better at doing something it is unlikely to get accepted."*

*- The Wikinomics Playbook, 2008, p. 7*

Whether or not social media are ten times better than the traditional media, they have certainly found their way into most communications professionals' daily routines. In fact, it is difficult to find an area of communications where there are no predictions of the possibilities and potential threats of social media. In addition to external communications (Bunting & Lipski, 2000), they have also permeated internal communications and human resources management (HRM) functions within companies (Henderson & Bowley, 2010; Kluemper & Rosen, 2009; Parker, 2008).

In communications, social media have been found useful in e.g. influencing the perceptions of constituencies (van Zyl, 2009, p. 915) and improving customer relations through dialogue (Bunting & Lipski, 2000, p. 175). In HRM, recruiters have adopted social media for accessing more information on candidates (Kluemper & Rosen, 2009, p. 567), accelerating processes, cost effective recruitment (van Zyl, 2009, p. 907) and maintaining a long term dialogue with employees (Wandel, 2008), among other things.



A decade ago, Bunting and Lipski (2000) argued that communications professionals were not keeping up with the new online communications tools nor using them to their full benefit. Recently the tone has been more positive both among academic researchers (Eyrich, Padman, & Sweetser, 2008, p. 412; Kluemper & Rosen, 2009) and in business surveys (Public Relations Society of America, 2007; ExecuNet, 2006; Birkman International, 2009) all of which suggest that communications professionals are indeed catching up and including the tools in their daily lives. In fact, the Internet has not only facilitated the professionals' daily routines but it has affected the whole idea of work itself. Online collaboration, co-creation and communication across company boundaries all contribute towards eroding the concept of office hours (Tapscott & Williams, 2006). While online communications have allowed for location and time zone-free group interaction before, social media have made these collaborations fluid (van Zyl, 2009, pp. 908).

As the tools at the office have improved, companies have continued to streamline their processes and they are now even more dependent on their remaining employees' performance and retaining high quality talent has become of great importance (Hepburn, 2005, p. 20). Also employees' attitudes towards work have evolved (Herman & Gioia, 2011). Today's employee wants to have extensive knowledge about the company he works for and be involved in its activities (Argenti, 2009, p. 183). According to Hepburn (2005, p. 20), a job or a career now holds more relevance and value for an individual than just a means to paying the rent. These changes have led to a situation where being a good employer is no longer enough, instead, a company also needs to be perceived to be a good employer in order to retain existing employees and attract new ones (Hepburn, 2005, p. 20).

Companies have attempted to tackle the issue with employer reputation through various means, such as employer branding (Backhaus & Tikoo, 2004), e-recruitment practices (Tong, 2009) and reputation management (Hepburn, 2005). It has even been suggested that the reason why online recruitment has gained so much attention are the possibilities it offers for building corporate image rather than its practical recruitment applications (Galanaki, 2002, p. 248).

Lewis (2001, p. 35) argues that stakeholders will only act and feel positively towards a company that has in some way shown a similar positive disposition towards them. This reciprocity is especially true with the two main stakeholder groups: customers and employees (Davies, Chun, da Silva, & Roper, 2003, p. 61). Also, managing how employees, both potential and existing, see the company's reputation has recently become a board-level concern (Hepburn, 2005, p. 20).

According to Davies et al. (2003, p. 61), reputation is an overall opinion held by all stakeholder groups that encompasses both the image and the identity of the company. In Hepburn's (2005, p. 20) words employer reputation is "*based on what you do as an employer plus what you say you do; how you communicate to the outside world as an employer*". Employer reputation management requires a company to understand the links between the two and to manage them effectively by (1) deciding what type of an employer reputation it wants to have based on the company's objective, (2) actively working to become that employer while at the same time (3) communicating its vision of employer reputation to all concerned stakeholder groups. (Hepburn, 2005, pp. 22-23)

The reasons why social media might answer some of the challenges in reputation management have to do with the way it operates. Kent (2010, p. 645) refers to social media as a medium with potential for real-time interaction, dialogue, spontaneity,

reduced anonymity, a sense of propinquity, short response times and the ability to “time shift”. Henderson and Bowley (2010, p. 237), on the other hand, see social media as online tools that emphasise participation, connectivity, user-generation, information sharing and collaboration. In comparison, van Zyl (2009, p. 909) defines social media as applications and web sites that support the discovery, development and maintenance of potential and existing relationships.

All of these definitions circle around building long-term relationships by maintaining two-way communication between various parties. Thus, in this thesis, social media are understood as publication platforms designed to disseminate information and knowledge and share opinions through dialogue in online social interactions. Also included in the definition of social media are any social layers that may have been added to existing non-interactive web sites with the purpose of sharing that information over to the mentioned platforms. This is to differentiate the social media from the broader term “online communications”, which encompasses also the more traditional forms of online information exchange, such as email and is also used in this thesis.

It is this emphasis on two way communications, discussion and dialogue that is one of the strengths of social media. For example, Kent and Taylor (2002, p. 29) mention that dialogue is often seen as the most genuine and ethical form of communication. Both genuine dialogue and ethics are also currently hot topics in communication due to rising interest in e.g. social responsibility (Moreno & Capriotti, 2009) and authenticity (Gilpin, Palazzolo, & Brody, 2010; Gilmore & Pine, 2007; Henderson & Bowley, 2010).

According to Bunting and Lipski (2000, p. 170) the Internet extends the range of human communications and thus becomes a facilitator for patterns of behaviour that were not possible to practice before. Online communications allow people to share

their opinions and ideas more widely and thus have the possibility to affect more people. But what is important to remember in terms of reputation management is the fact that it is still people who are affecting people, regardless of the tools in use. The challenge for communications is no longer how to communicate with customers and financiers but also how to communicate with the people who affect the customers' and financiers' opinions of the company.

To date, there has been very little academic research on the possibilities and changes that social media bring to communication and reputation management in relation to recruitment. The main emphasis has been on how the Internet affects the field in general and how the networks can be used overall (e.g. Boydell, 2002; van Birgelen, Wetzels & van Dolen, 2008; Parry & Wilson, 2009). Much of the research has also concentrated on the nature, structure and distribution of the social networks (Emerald, 2010; van Zyl, 2009, p. 907) and on how the current employees behave online, e.g. how they spend their time, what they talk about, how they represent themselves and the company they work for. This thesis thus fills a research gap as it is positioned between the two topics: social media and employer reputation management. The following subchapters include a more detailed description of the thesis' objectives.

## **1.1 Research questions and objectives**

The main interest of this thesis is on employer reputation management and what the role of social media is in that context. These themes are approached through the experiences of HR and communications professionals in two companies that were given the "Best Place to Work" (BPW) –status in Finland in 2010.

The presupposition for choosing the Best Place to Work -listing was the fact that the companies listed as Best Places to Work have, in some way, already considered their employer reputation management or, at least, taken the first steps towards employer branding. Therefore representatives from these companies were interviewed, based on themes from the literature review and on a preliminary analysis of their online recruitment activities and engagement in social media. As the idea formulated it became clear that concentrating on a few case companies to analyse their use, engagement and perceptions of the topics would yield the most comprehensive glance into the topic. The two companies were chosen based on the recommendations of the Great Place to Work Institute's representative. The recommendations were based on the Institute's annual questionnaire and included the companies that had reported that they used social media.

While the mental leap from the Best Place to Work -listing to good employer reputation is easy to make it is not as easy to make predictions about the companies' social media usage. There are practically no previous studies within the employer reputation field that mention social media. In fact, there are very few studies about employer reputation, overall. However, the likeliest scenario based on similar research from other fields is that some of the companies have given thought to social media application, some have implemented it and some have no knowledge or intentions, as of yet. Based on a preliminary discussion with the Great Place to Work Institute's representative, the expectation with the two companies is that they have at least considered using social media channels in recruitment and thus have rudimentary knowledge, at the very least. Within the research design described above, two research questions were formulated as follows:

**Research Question 1:** How do the Best Places to Work -case companies manage their employer reputation?

The first question concerns the companies' overall understanding of their employer reputation management: How are the companies building their employer reputation, who is in charge of it, what guides their actions and whether they are using employer branding campaigns to support their other efforts.

**Research Question 2:** What is the role of social media in managing employer reputation in the Best Places to Work –case companies?

The second question deals with the social media aspect of employer reputation management. Potential sub-questions include: (1) how the companies have utilised social media in communicating about their employer reputation, (2) how their recruitment communications have changed due to social media, (3) whether the companies think that social media have affected their employer reputation and (4) if the companies think social media offers any tools that might help them maintain their status in the future.

## **1.2 Great Place to Work Institute**

The Great Place to Work Institute traces its roots to New York in the 1980's and two business journalists who wrote a book about the best companies to work for in the United States. The Institute itself was founded a few years later and now spans 45 countries around the globe.

The Institute defines itself as a global research, consulting and training company that helps organisations identify, create and sustain great workplaces through the

development of high-trust work place cultures. The Best Place to Work –listing is based on the Institute’s annual research within the companies participating in the program.

It should also be noted that “the Great Place to Work” –term is used in reference to the Institute itself while “the Best Places to Work” –term is used in connection with the list of companies that receive the highest grades in the annual research. In this thesis the two are used according to the same differentiation.

### **1.3 Positioning the study within IBC**

According to the definition on the International Business Communication (IBC) website (IBC, 2010), IBC looks at communications at two levels. Firstly, the operations of the corporate communication function in international corporations and secondly, in all interactions within corporate contexts.

This thesis is concerned with employer reputation, which, according to Hepburn (2005, p. 21), is dependent on corporate reputation, in addition to values, people policies and corporate culture. Corporate reputation in turn is one of the main considerations of corporate communication (Helm, 2007, p. 238) and of great value to companies (Lewis, 2001, p. 31). In his book, Argenti (2009, p. 85) writes that employees are in fact a good starting point for measuring reputation as they are the ones putting the organisation’s values into practice, thus affecting the corporate reputation of the company. Employer reputation as a field is merely a narrower field of study within reputation research as it is only concerned with views that define how a company’s constituents see the company as an employer (Hepburn, 2005, p. 20). Thus, the study fits within the corporate communication function within companies.

The international aspect of the topic comes from the emphasis on online interactions and social media that in themselves are international by default. Content posted in social media is, in theory, available globally to everyone regardless of the country they live in. Additionally, with new developments, such as Google's inbuilt translation tools in their Chrome browser, the posted content no longer needs to be in a language the reader speaks. Instead, they can opt to have the content translated to their own language as soon as they land on a page. Admitted, the translation may not be perfect but the reader will get the idea and, most importantly, will not have to give up on finding the information based on simple language issues.

This means that anything posted online pertaining to a company can potentially be read by anyone, anywhere and a company's employer reputation can be affected internationally in one country by what e.g. existing employees in another country are saying, even if the people were not in direct contact with each other. Thus, any study into social media is in effect a study of international communications tools, with potential applications in other countries and languages.

## **1.4 Thesis structure**

The main parts of this thesis include the introduction (Chapter 1), the literature review (Chapter 2), data and methods (Chapter 3), findings (Chapter 4), discussion (Chapter 5) and conclusion (Chapter 6). The literature review looks at related fields of study ranging from corporate reputation to recruitment, employer branding and employer reputation management. It should be noted that employer branding is often used as the equivalent of employer reputation in marketing terminology and the



theories are closely linked but in this thesis the two are understood with minor differences and thus given their separate subchapters.

The findings (Chapter 4) are drawn from the data gained from the interviews and the preliminary data collected from the interviewed companies' websites and social media presence. They are then discussed in Chapter 5 (Discussion) and finally the whole thesis is reviewed along with limitations and recommendations for further study in the final concluding chapter (Chapter 6). References and appendices can be found in the end of the thesis.

## **2 LITERATURE REVIEW**

This thesis is concerned with how professionals from Finland's Best Places to Work understand and construct their employer reputation, both overall and through social media. Employer reputation and reputation management in general are both relatively unexplored fields as regards to online communications and especially social media. Literature on both subjects is scarce, thus, the following review is based on several related fields, such as corporate reputation management, recruitment and employer branding.

The literature review begins with a subchapter on corporate reputation. The following subchapters will discuss recruitment communication both online and offline, employer branding, employer reputation management and finally, the role of social media in constructing employer reputation. The subchapters on corporate reputation, recruitment and employer reputation also each contain sections on how previous literature has examined the development of online communication.

## **2.1 Corporate reputation**

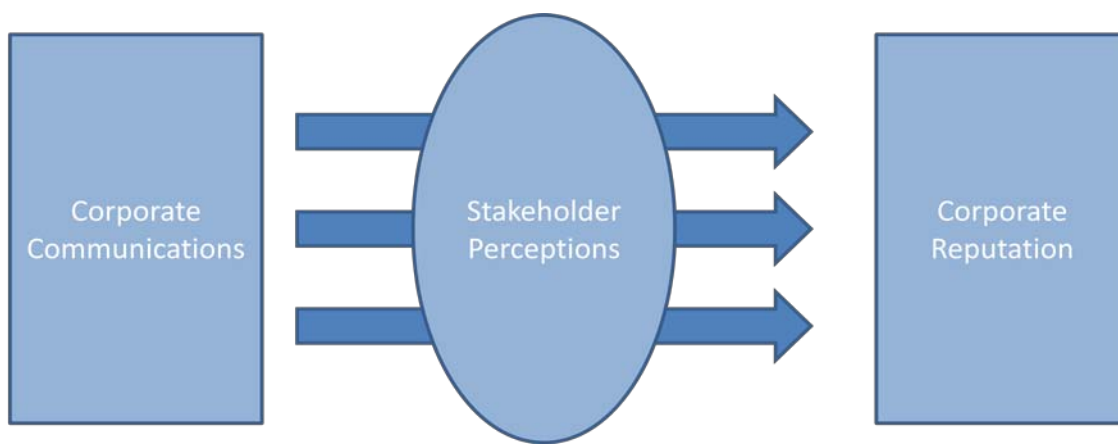
This subchapter outlines how the construction of corporate reputation has been approached in recent research. It begins with an overall definition of corporate reputation and then moves on to discuss the field in relation to the Internet and social networks.

### **2.1.1 Defining corporate reputation**

Corporate reputation is one of the main concerns of corporate communication (Helm, 2007, p. 238) and critical in any relationship with constituents (Helm, 2010). It is extremely valuable for companies (Lewis, 2001, p. 31) as a source of competitive advantage (Money & Gardiner, 2005; Argenti, 2009) and because a negative corporate reputation can mean considerable losses in the long run (Argenti, 2009, p. 84). On the other hand, a company with a strong reputation also has the option to charge a premium for its products (Lewis, 2001, p. 31), is better prepared to deal with any potential crises (Argenti, 2009, p. 84) and can influence media as well as attract and retain staff, customers, suppliers and investors (Money & Gardiner, 2005, p. 46).

Regardless of its strong ties with the corporate communications function (Helm, 2007, p. 238; Argenti, 2009, p. 53) corporate reputation is not solely the concern of the communications department. According to Lewis (2001, pp. 31), most reputation problems arise from actions taken by the company or from a poor response to a crisis, thus making reputation the concern of all departments that communicate with constituents outside the company, which in today's networked world means practically everyone.

Bunting and Lipski (2000, p. 171) define corporate reputation as the end result of interaction between company communications and its constituents' responses to those communications. Lewis (2001, p.31) defines the concept similarly as a mixture of the company's communication and behaviour and the expectations of its constituents. In comparison, Argenti's (2009, p. 55) framework for corporate reputation is a bit more complex. According to the author, it is a combination of all the views held by a company's constituents. Figure 1 is a visualisation of Bunting and Lipski's (2000, p. 171) conceptualisation of the relationship between communications, perceptions and reputation.

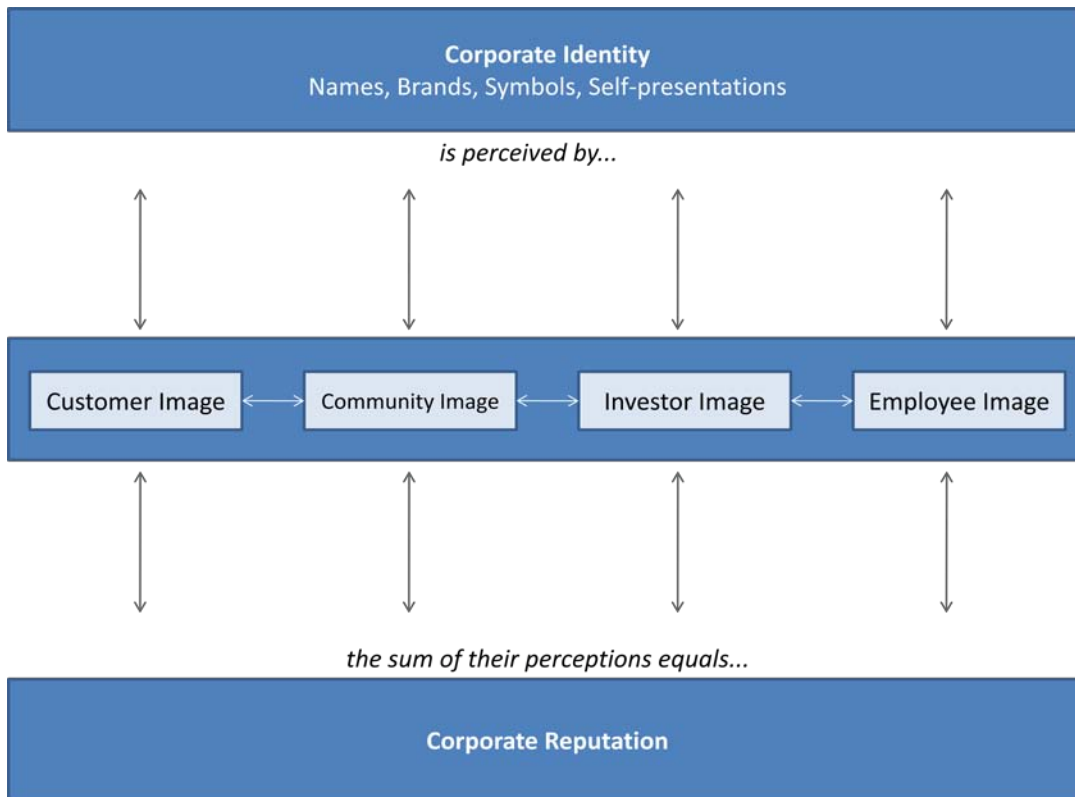


**Figure 1. Relationship: communications, perceptions and reputation**

Reprinted from Bunting and Lipski, 2000, p. 171.

Argenti (2009, p. 83) further compares a company's reputation to its image and identity. According to him, an image is a viewer's perception of a company at a given point in time while reputation is something that is built over time (Argenti, 2009; Money & Gardiner, 2005, p. 44). Similarly identity is mainly constructed by internal

constituencies, while a company's reputation depends on all constituencies of a company, including internal and external stakeholders. While reputation is based on highly subjective perceptions (Money & Gardiner, 2005, p. 43), research (Helm, 2007, p. 249) suggests that different constituent groups use very similar criteria for constructing corporate reputation though there are still differences in which criteria are most important for which constituency (Helm, 2007, p. 250). Figure 2 shows in more detail how Argenti (2009, p. 83) defines the relationship between image, identity, reputation and the constituencies of a company.



**Figure 2. Argenti's Reputation Framework**

Reprinted from Argenti, 2009, p. 83.

In the end, the various definitions of corporate reputation are relatively similar (Argenti, 2009, p. 55; Lewis, 2001, p. 31; Bunting & Lipski, 2000, p. 171) but the discussion on how to achieve a successful corporate reputation is slightly more diverse. In his book, Argenti (2009, p. 55) argues that it is unrealistic to really try to manage a reputation but still offers some advice on what companies should do in order to avoid ending up with a negative one. According to Bunting and Lipski (2000, p. 174) this view of unmanageability has gained popularity at the same pace as online communications.

Others (Lewis, 2001; Fombrun, 2008; Money & Gardiner, 2005) talk about managing, building and constructing corporate reputation with a more can-do approach and Davies et al. (2003, p. 67) actually state that it is possible. According to Lewis (2001, p. 35) successful corporate communications are founded on five consecutive principles: (1) creating awareness among the audience, (2) building involvement, (3) connecting through social responsibility, (4) persuasion through expression of opinion and finally (5) inspiring action through acceptance of the message. Money and Gardiner (2005, pp. 45-46) emphasise the importance of measuring the different aspects of corporate reputation in order to tailor the company's responses to trigger desired behaviour in its stakeholders.

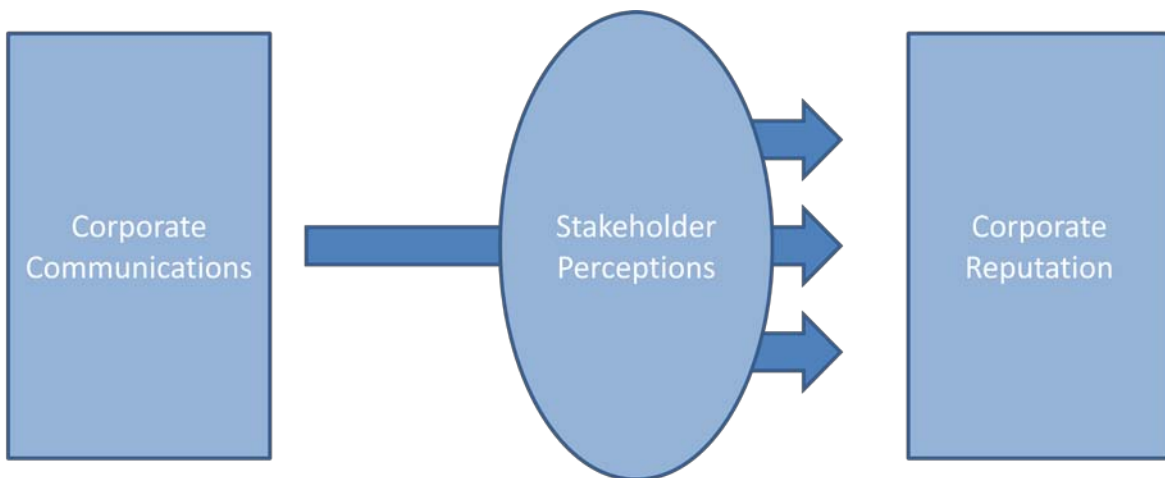
### **2.1.2 Internet, social media and corporate reputation**

In the past ten to twenty years the Internet (Boydell, 2002, p. G5) and more recently social media (Taylor & Kent, 2010) have become an integral part of the corporate communications function. For many companies this has meant the ability to influence the constituencies' perceptions through e.g. improved customer relations, viral marketing and innovation (van Zyl, 2009, p. 915). Services, such as reputation

management, employer communications and recruitment advertising are now offered by most communication and marketing agencies (e.g. Enhance Media, Feather Brooksbank and NAS Recruitment Communications) and there has also been a rising interest in online reputation management research (Aula, 2011; Ryan, 2003; Bunting & Lipski, 2000; Eyrich, Padman, & Sweetser, 2008). Some researchers (Aula, 2011, p. 35; Ryan, 2003, p. 345) even agree that communications professionals no longer even wonder about the importance of social media or online communications skills. They have become part of the routine.

Bunting and Lipski (2000, p. 170) assert that the Internet has changed the dynamics of corporate reputation management in a fundamental way. According to them, instead of the traditional mix of actions and messages, reputation is now more often defined by the perceptions and responses of companies' constituencies to those actions and messages. Their idea corresponds to Lewis' (2001, p. 35) definition of corporate reputation as a mix of behaviour, communication and expectation and Aula's (2011, p. 29) depiction of stakeholders being the ones who control and distribute the organisation's reputation. Bunting and Lipski (2000, p.170) also maintain that because of this stakeholder empowerment the traditional conceptions of corporate communications and corporate relations have become outdated and must be replaced by new ways of building and managing relations with constituencies. The companies must now be aware and care about their constituencies' interests (Money & Gardiner, 2005, p. 43). According to Bunting and Lipski (2000, p. 171) the change is not so much about the content or motivations of the messages as the method of communications and a change in the communications' recipients. But at the same time, the playing field has also become more even, due to e.g. the smaller amount of funds required to create impressive communications and the appearance of alternative information sources (Bunting & Lipski, 2000, p. 172).

Bunting and Lipski (2000, p. 173) also argue that the Internet itself does not change the way people feel or what their motivations are. Instead, it has allowed everyone to see the extent to which their personal beliefs and culture are shared by others. This has led to the mentioned power shift from companies to stakeholders who are, increasingly, the source of the corporate reputation (Bunting & Lipski, 2000; Money & Gardiner, 2005, p. 43). Figure 3 is a reprint of Bunting and Lipski's (2000, p. 174) view of how the Internet has changed the relationship between corporate communications, stakeholder perceptions and corporate reputation. The change in the number of arrows represents the shift in power of "voice" from corporations to their stakeholders.



**Figure 3. Communications, perceptions and reputation online**

Reprinted from Bunting and Lipski, 2000, p. 174.

According to Bunting and Lipski (2000, p. 174) many professionals believe that because of the changing nature of communications and the online environment they

have very little power over their corporate reputation and that the most they can hope to accomplish is to manage crises in an admirable manner. Others still warn of the additional dangers online communications bring to reputation management through intentional vandalism and distribution of misinformation or negligence of employees (van Zyl, 2009, p. 915).

Bunting and Lipski (2000, p. 174) call this a misplaced sense of impotence. Instead, they continue, the new challenges are something the communicators should embrace and learn to utilise to their advantage because, in the mentioned scenario, corporate communications have become more important, not less. This requires re-thinking the whole corporate communications function (Bunting & Lipski, 2000, p. 175). A recent study by Aula (2011) suggests that communication professionals are coming around to this mode of thinking. The results of the study indicate that communications professionals now believe that not only can online communications have a significant impact on corporate reputation but they can also generate advantages to the reputation.

In order to succeed in building online reputations a company needs to step lightly, listen to opposing views, use third-party endorsements and enter into a dialogue and build relationships with the online community (Bunting & Lipski, 2000, p. 175). This type of relationship building not only helps the company to break free from the constraints of modern mass media but it also allows companies to target their messages in a more organised manner towards their intended, interested audiences (Bunting & Lipski, 2000, p. 175). Table 1 shows Bunting and Lipski's (2000, p. 175) view of how the new tools are changing the corporate communications arena.



**Table 1. Rethinking the nature of corporate communications**

Old communications	New communications
Mass media Intermediated Push Didactic Information light Generic One way Rose-tinted Defensive	Targeted media Direct Pull Engaging Information heavy Specific Dialogue Honest Proactive

Reprinted from Bunting and Lipski, 2000, p. 175.

Bunting and Lipski (2000, p. 177) argue that companies should be aware of and utilise all the tools offered by the Internet and also appreciate how it enables them to get closer to their stakeholders and allows them to break from the traditional communication models. A more recent study by Eyrich, Padman and Sweetser (2008, p. 413-414) suggests that this might actually be the direction companies are heading towards. The respondents of their study (communication professionals) had adopted as many as six different social media tools professionally. Still, change also takes time and even now some authors refer to the social media within communications as an “emerging” practice (Henderson & Bowley, 2010, p. 237).

## **2.2 Recruitment practices in a networked world**

This subchapter presents some of the current views within the academic community on what changes online communications are bringing into human resources

management (HRM). In addition, it will discuss what the role of social networks is in this area. The first section begins with a general definition of recruitment. The second section then discusses how the recruitment function has been affected by the possibilities of online communications and the third and final section discusses the effects of social media on the recruitment practices of companies.

### **2.2.1 Recruitment**

Recruitment is a process where a company seeks to identify, attract, evaluate and select the best person for a particular job in an organisation (Tong, 2009, p. 281; Yeung, 2008, p. 66; Breaugh & Starke, 2000). The task is either taken care of by a company representative or the company may choose to use the services of a professional recruiter, e.g. a recruitment agency.

The recruitment process plays an important role in a company (Dickson & Nusair, 2010, p. 86). Unfortunately, as the process is also very long and costly, several managers fall to the trap of selecting a candidate too fast and/or based on intuition (Yeung, 2008, p. 1). In the end, the rushed process can even result in a bigger loss of time and money. Thus, Yeung (2008, p. 1) wonders how managers can justify to themselves the time they spend on managing the company's financial information when they can not find the same motivation and time for a good management of the recruitment process.

In addition, finding and retaining the best talent has become even more challenging due to changes in social structures (Hepburn, 2005, p. 20) and people's attitudes towards work (Herman & Gioia, 2011). A job or a career now holds more relevance and value for an individual than just a means of paying the rent (Hepburn, 2005, p.

20). Candidates need to be convinced why they should apply for a particular company (NAS Recruitment Communications, 2010). Additionally, the increasing global competition makes attracting the right applicants at the right time difficult (Tong, 2009, p. 281; Branine, 2008, s. 498) as people are now willing to change jobs more often (Cable & Turban, 2003, p. 2244) than some years ago.

### **2.2.2 Online recruitment**

Recruiters began to migrate online in the 1990's (Boydell, 2002, p. G5). Since then the online tools have become an inseparable part of the human resources departments' toolbox (Kluemper & Rosen, 2009; Wandel, 2008) and the growth of online recruitment is an undeniable fact (Tong, 2009, p. 293). Statistics from CIPD's annual surveys between 2006 and 2008 suggest that the use of online recruitment has grown steadily from 64 percent in 2006 to 75 percent in 2008 (Parry & Wilson, 2009, p. 656; Chartered Institute of Personnel Development, 2008). Another survey reports that in 2008 as many as 96 percent of companies admitted to using online recruitment methods (van Birgelen, Wetzels, & van Dolen, 2008, p. 732).

The reasons why the Internet has become such a prominent tool for recruitment are as varied as the professionals using them. Boydell (2002, p. G5) identifies the adoption of online tools with managing the vast amounts of recruitment data and the managers' time allocation problems. Based on their research Parry and Wilson (2009, p. 670) have a contradictory approach. They argue that the choice of channel depends largely on the subjective preferences of the recruiter, instead of benefits to the efficiency of the process, meaning that managers adopt online recruitment tools when they themselves are in favour of them. This raises interesting implications for recruitment. Since communication media differ in their ability to communicate information (Allen,

van Scotter, & Otondo, 2004, p. 144) one would rather expect the media to be chosen based on the best dialogue options the medium offers the various participants during the process.

In addition, it has also been suggested that instead of data management or managerial preferences, online recruitment is merely the outcome of other company operations such as the development of a corporate image (Galanaki, 2002, p. 248) or a tool for the internationalisation of a company (Galanaki, 2002, p. 249). The focus of online recruitment seems to change depending on which department is in charge: marketing, IT or human resources (Galanaki, 2002, p. 248).

In the beginning, the Internet was seen as the future of recruitment (Boydell, 2002, p. G5; Parry & Wilson, 2009, p. 655). The idea was that it would solve many of the traditional problems faced by recruiters, such as costly fees and ineffective paper resumes (Boydell, 2002, p. G5) and allow for new benefits such as the possibility to conduct remote interviews, online aptitude tests, interactive applications, global awareness and the ability to attract passive job seekers (Galanaki, 2002, p. 244). However, regardless of the initial boom (Boydell, 2002, p. G5), the adoption of online recruitment methods did not happen overnight. Even a decade later, in 2002, Galanaki (2002, p. 248) still found that online recruitment was mainly the privilege of large and well-known companies.

Aside from the channel and its application, there is nothing inherently new about doing recruitment online. But it is a channel and that means it can be used both well and poorly (Galanaki, 2002, p. 249). The main concepts a company needs to consider in online recruitment, such as cost, time, coverage, reach of applicants, quality of response and impact on corporate image are all traditional points of interest when making a decision on the recruitment methods (Galanaki, 2002, p. 249). Success

comes with good planning and combining traditional best practices with the enhanced capabilities of online recruitment (Galanaki, 2002, p. 249).

Obviously there are some additional considerations that come with online recruitment, such as the content and form of the recruitment website that influences applicants' attitudes towards the company, which in turn affects their wish to apply to the organisation (van Birgelen, Wetzels, & van Dolen, 2008, p. 744). According to van Birgelen et al., (2008, p. 746) the four important things to consider are: (1) the provided information should be relevant, accurate and recent, (2) the accuracy of the information should be communicated to applicants, (3) the site should be easy to use and (4) the company should remember that online recruitment is more affective towards some applicant groups than others.

It is also important to remember that it is not possible for a company to completely jump on the online bandwagon and ignore the real life social interactions. The online tools are merely there to facilitate the recruiters' work and success can be best achieved by finding the perfect blend of both online and offline methods for the particular situation (Yeung, 2008; Galanaki, 2002). One of the reasons why the one-to-many communications often are not sufficient in an online environment is because they do not emulate the complex social interactions we are a part of in the real world (Middlemiss, 2009, p. 186). Many of the factors that have been promoted as downsides for online recruitment are in fact due to poor recruitment practices (Galanaki, 2002, p. 249). For example, an overload of answers (Malita, Badescu, & Dabu, 2010, p. 3072) is more likely to be caused by a bad job description than the channel itself (Galanaki, 2002, p. 249).

In an effort to aid managers NAS Recruitment Communications (2010) lists 9 Best Practices for connecting with job seekers online:

1. Using testimonials to tell candidates they will contribute. According to this practice a company website should include statements by employees and/or customers to tell candidates how they would contribute to the company operations.
2. Giving candidates plenty of opportunity to interact with recruiters. This means that the companies should offer candidates both channels of communication as well as a way of having a “personal connection” with the recruiter, such as displaying a photo of the person in charge of recruitment next to their contact information.
3. Letting them see “a day in the life” of an employee in their job area. The practice is very similar to the first practice but has more emphasis on the daily routines of the employee while the first Best Practice is about the employees’ contribution to the company.
4. Using videos to provide details copy cannot. This practice suggests that videos about the employees’ and facilities are more likely to attract the applicants than text based information.
5. Providing alumni connections. This practice suggests that a company’s recruitment process could benefit from displaying connections it has with e.g. colleges and universities it scouts for new talent.
6. Providing an events calendar and maintaining it. According to this practice a company should provide candidates with information about e.g. job fairs or other events where company representatives are present.
7. A blog to show candidates they will have a voice. This practice encourages companies to host a blog for their employees so that they can voice thoughts about the industry and their jobs.

8. Building a talent network. This practice encourages companies to create candidate networks where the potential employees who might want to apply to the company one day can leave their details and continue to receive information about openings they might be interested in.
9. Integrating social media marketing into the corporate website. According to this practice a “follow me” icon for Facebook, LinkedIn or Twitter would be beneficial for companies as it would encourage potential candidates to enter in dialogue with the company.

### **2.2.3 Recruitment and social networks**

Social media are among the most recent adoptions in communications and recruitment. They “*emphasise participation, connectivity, user-generation, information sharing and collaboration*” (Henderson & Bowley, 2010, p. 237) and by doing so expand social networks, accelerate processes and allow for cost-effective recruitment of highly qualified employees (van Zyl, 2009, p. 907). The Internet and social media also allow for the use of richer media, which are likely to be more persuasive as they can provide more facts in a more personal way (Allen, van Scotter, & Otondo, 2004, p. 148).

So far, aside from side notes in general reputation research (e.g. Money & Gardiner, 2005) there has been very little academic research on the possibilities and changes that social media bring to recruitment (Kluemper & Rosen, 2009, p. 576). The main emphasis has been on how the internet is affecting the field in general and how the networks can be used (e.g. Boydell, 2002; van Birgelen, Wetzels & van Dolen, 2008) and who is using it and why (Parry & Wilson, 2009). Much of the research has concentrated on the nature, structure and distribution of the networks (Emerald,

2010, p. 10; van Zyl, 2009, p. 907) as well as on how the current employees behave online, e.g. how they spend their time, what they talk about, how they represent themselves and the company they work for.

According to a survey conducted by ExecuNet (2006) among professional recruiters, 77% of the recruiters have used search engines to find out more information about their potential employees and 35% reported as having eliminated a candidate based on the information they found. The study (ExecuNet, 2006) was conducted among professional recruiters just before the recent massive expansion of social media use (Kluemper & Rosen, 2009) but even then, the survey reported a 9 percent increase in the use of social communications channels during one year (ExecuNet, 2006).

According to a study by Shea and Wesley (2006, p. 30), approximately 11% of recruiters use social networks for candidate screening and approximately 50% of respondents reported they use online tools in general to screen candidates. According to a more recent study 83% of HR professionals now believe that using social media tools can, not only improve the effectiveness of the recruitment process, but also enhance communications, provide insight into people's interests and motivations as well as offer opportunities for knowledge sharing (Birkman International, 2009, p. 1).

As a result of the recruiters' growing interest in social media tools the number of services is also growing exponentially. The channels include e.g. professional social networks (LinkedIn, 2010; KODA, 2010; Naymz, 2010; Laimoon, 2011), specialised (HR) peer discussion groups and blogging sites (Recruiting Blogs, 2011), CV databases, corporate recruitment sites, profession specific recruitment sites (MedRecruit, 2011), HR specific online news services (HRM Today, 2011), mobile applications (Pepsico Careers, 2011), peer-to-peer recruitment (JobPrize, 2011) and online games (My Marriott Hotel, 2011). Even though some of these services began as



one-way communication channels (e.g. news service) most of them have since received social layers (e.g. discussion forums, blogs, etc.).

According to Kluemper and Rosen (2009, pp. 570-571), for a skilled recruiter, the social networks can provide a more comprehensive image of the applicant than an interview of 15 minutes. The authors (Kluemper & Rosen, 2009, pp. 575-576) assessed the potential candidates' personality, intelligence and performance in social networking sites and found that the social networks can serve as practical additional tools for recruiters for evaluating the mentioned attributes. In particular the authors emphasized the value of online recruitment tools based on how much time they save for the recruiter.

### **2.3 Employer branding**

In recent years, employer branding has gained favour among managers as a new tool to attract applicants and retain existing employees (Backhaus & Tikoo, 2004, p. 501; Moroko & Uncles, 2009, p. 181). A view which is supported also by search statistics, for example, in 2004 Backhaus and Tikoo (2004, p. 501) searched on Google and Yahoo! for the terms "employer branding" and received over 3000 hits, which they saw as a rise in interest. Today, in 2011, that same number is closer to 831 000 hits on Google alone. The goal of employer branding is to differentiate the company from its competitors (Davies, 2008, p. 669) by highlighting what it can offer as an employer and promoting those characteristics both in- and outside of the company (Backhaus & Tikoo, 2004, p. 502).

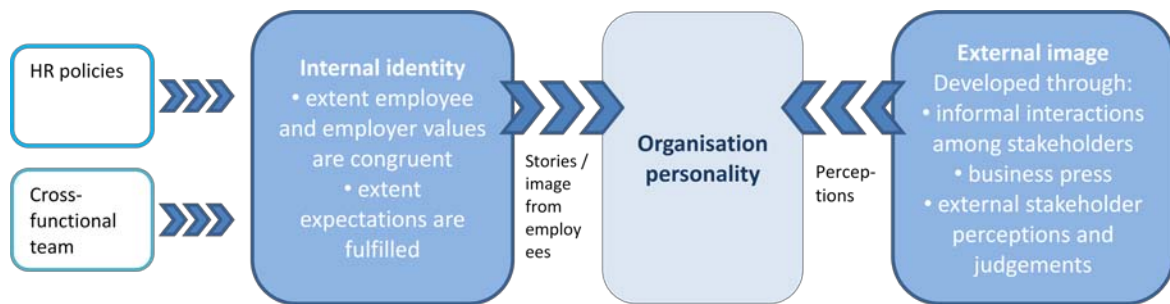
According to Backhaus and Tikoo (2004, p. 503) one of the main differences between corporate and employer branding is that corporate branding is mainly targeted at

external stakeholders (e.g. customers) while employer branding is aimed at both internal and external stakeholders, in other words, existing and potential employees (Edwards, 2010, p. 6). Similarly, employer branding also differs from internal branding. While internal branding aims at training employees internally to deliver the company's brand promise to its external constituents, employer branding is meant to ensure that the company has the right people to deliver that message (Foster, Punjaisri, & Cheng, 2010, p. 401).

There are several authors who promote aligning the three fields of corporate, internal and employer branding in various ways. Foster, Punjaisri and Cheng (2010, p. 404) argue that in order for a company to manage its corporate brand effectively, internal and employer branding should be in line. According to them, corporate brand is the guide for internal and employer branding, while employer branding should communicate the benefits the corporate brand offers to the employees and internal branding should make sure that the employees continue to understand the benefits of the brand.

In their article, Martin, Beaumont, Doig and Pate (2005) merge employer branding and corporate reputation literature in an effort to show a link between HR and branding. The authors (Martin, Beaumont, Doig, & Pate, 2005, pp. 80-81) argue that the two core concepts of corporate reputation; i.e. internal identity and external image are building blocks for the organisation's personality, which in turn can be communicated to both internal and external audiences through the same methods.

Figure 4 presents their idea visually:



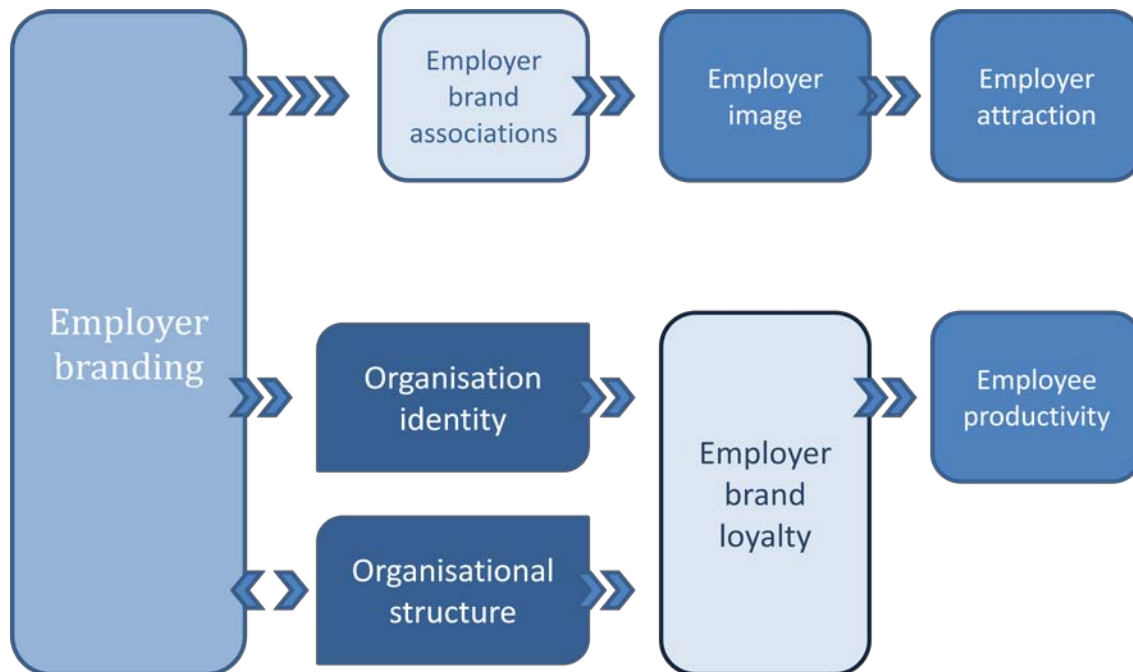
**Figure 4. Mapping internal identity and external image**

Reprinted from Martin, Beaumont, Doig and Pate, 2005, pp. 80-81.

Based on HR literature (Backhaus & Tikoo, 2004, pp. 502-503) employer branding includes three important steps. The first step (1) is to develop a unique value proposition that represents the company's offering to its employees. The second step (2) is to market the value proposition to potential employees in order to establish the company as an employer of choice. Becoming an employer of choice is a business strategy that is most commonly benchmarked against other companies (Martin, Beaumont, Doig, & Pate, 2005, p. 78). The comparison is often done through e.g. rankings such as the "Best Place to Work", which is published by Fortune magazine in the US, the Times in the UK and Talouselämä in Finland. The third step (3) in employer branding is to market the value proposition to existing employees in order to develop the workplace culture around corporate goals.

According to Backhaus and Tikoo (2004, pp. 504-505) employer branding creates two important assets for a company: brand associations and brand loyalty. Employer brand associations then mould the employer image, which affects the attraction of the company as an employer. In addition, employer branding has an affect on the organisation's identity and structure, which both affect the employer brand loyalty,

and finally, employer brand loyalty increases employee productivity. Figure 5 presents the employer branding framework as designed by Backhaus and Tikoo (2004, p. 504).



**Figure 5. Employer branding framework**

Reprinted from Backhaus and Tikoo, 2004, p. 504.

Edwards (2010, p. 6) gives two other definitions for employer branding: employment experience and employment offering. The idea is that the employer offers a certain type of employment experience to potential and current employees, who then evaluate the offering or the experience based on financial and socio-emotional benefits. Moroko and Uncles (2008, p. 171) also write about employment experience. The authors equate it with offering a product, where the product consists of the

different features of the employment experience. The underlying theme in both articles is that, in order to succeed in employer branding, a company needs to identify the unique features it offers its employees and then communicate those features as a comprehensive product (or an experience) (Edwards, 2010; Moroko & Uncles, 2008).

A further study by Davies (2008, p. 677) suggests that the feature employees find most relevant when choosing an employer is the agreeableness of a company. According to the author, this suggests that employees place the most value on warmth, empathy and integrity in an employer (Davies, 2008, p. 668). Edwards (2010, p. 18) concludes that positive results in employer branding requires a company to consider several things in recruitment advertising, such as communicating about successes, demonstrating CSR credentials and ideological orientations and making sure the messages are authentic, among other things.

## **2.4 Constructing employer reputation**

*"Harnessing organisation reputation to the recruitment process is one HRM practice that will enhance an organisation's capacity to attract and retain top talent"*

- Ferris, Berkson, & Harris, 2002, p. 360

This chapter describes the concept of employer reputation, based on the few available prior sources on the topic. Additional references have been pulled from related fields to support the theory and give a better overview of the area of research. The chapter will begin with an introduction to the differences between corporate and employer reputation and then move on to display some of the reasons why the field has

suddenly begun to receive more attention. The role of social media in constructing employer reputation will be discussed in its own chapter.

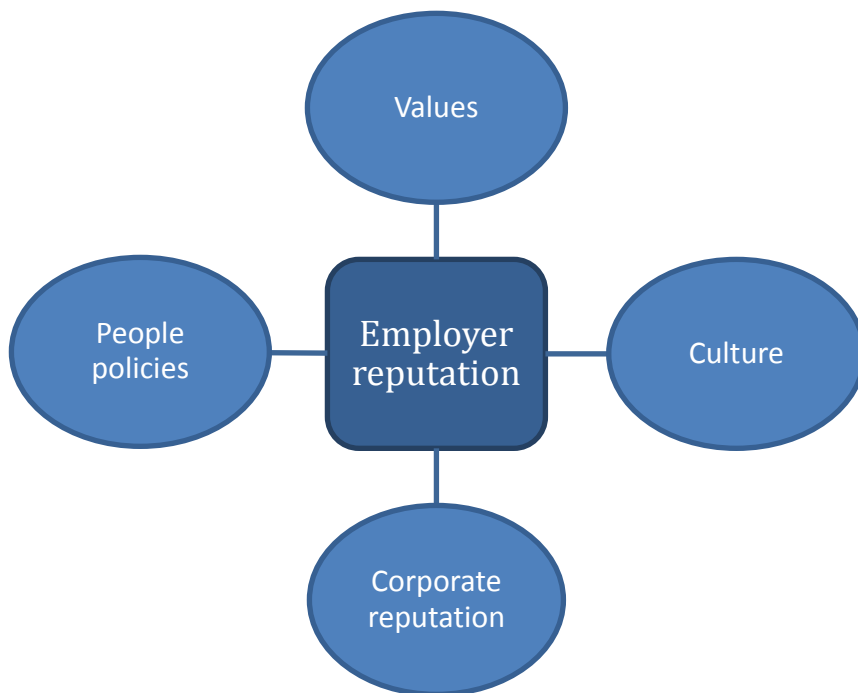
As discussed earlier, Davies et al. (2003, p. 61) differentiate between corporate image, identity and reputation. In their view, corporate image is how the external stakeholders see the company, corporate identity is the employees' (internal) view of the company and corporate reputation an overall opinion held by all stakeholder groups that encompasses both the image and the identity of the company. In comparison to corporate reputation, employer reputation is a more specific area of study. While corporate reputation encompasses the views of all of a company's constituents (Argenti, 2009), employer reputation concerns only those views that define how the constituents see the company as an employer (Hepburn, 2005, p. 20). According to Argenti (2009, p. 85) employees are a good starting point for measuring a company's reputation as they are the ones putting the organisation's values into practice. Thus, it is no wonder that, according to Hepburn's (2005) study, managing how potential and existing employees see the company reputation has recently become a board-level concern.

Similarly, employer reputation is also related to employer branding. While the aim of employer branding is to differentiate the company from its competitors (Davies, 2008, p. 669) by highlighting what it can offer as an employer and then use marketing tools to promote those characteristics, employer reputation takes a more overall view. In building an employer reputation a company needs to consider other routes of managing a reputation than marketing campaigns.

In comparison to Davies et al.'s (2003, p. 61) overall view of reputation, Hepburn defines (2005, p. 20) employer reputation as "*based on what you do as an employer plus what you say you do; how you communicate to the outside world as an employer*".

Employer reputation management requires a company to understand the links between the two and to manage them effectively through (1) deciding what type of an employer reputation it wants to have based on the company's objectives and then (2) actively working to become that employer while at the same time (3) communicating that employer reputation vision to all concerned stakeholder groups (Hepburn, 2005, pp. 22-23).

Hepburn (2005, p. 21) further defines the building blocks of employer reputation as values, people policies, culture and corporate reputation. Figure 6 is a visualisation of his idea:



**Figure 6. The four elements of employer reputation**

Reprinted from Hepburn, 2005, p. 21.

According to Hepburn (2005, p. 20) being a good employer is no longer enough. Instead, a company also needs to be perceived to be a good employer in order to retain existing employees and attract new ones. Lewis (2001, p. 35) further argues that stakeholders will only act and feel positively towards a company that has in some way shown a similar positive disposition towards them. This reciprocity is especially true with the two stakeholder groups Davies et al. (2003, p. 61) claim as the most important ones for a corporate reputation: customers and employees.

Attracting and retaining employees has also become challenging due to changes in social structures (Hepburn, 2005, p. 20) and people's attitudes towards work (Herman & Gioia, 2011). A job or a career now holds more relevance and value for an individual than just a means for paying the rent (Hepburn, 2005, p. 20). These changes are not limited to attitudes to work but they have also affected what candidates expect from company communications. Instead of conveying only pre-planned company agendas communicators should acknowledge the audiences' priorities (Lewis, 2001, pp. 31-32) as the choice of applying to one company over another is also influenced by beliefs, attitudes and affective states (Allen, van Scotter, & Otondo, 2004, p. 149). Fombrun (2008, p. 3) compares applicants' choice of company to how managers choose between candidates. He argues, that in the same way as managers use employees' reputations to make personnel decisions and prefer better-regarded professionals, the employees prefer to work for better-regarded companies (Fombrun, 2008, p. 4).

At the same time with the mentioned developments in social structures and applicants' expectations alone, companies have are also constantly streamlining their processes. Thus, they are growing ever more dependent on existing employees' performance as well as on retaining the kind of talent that will develop their



organisation (Hepburn, 2005, p. 20). Companies that succeed in managing their employer reputation are seen as employers of choice. This can be expensive in the short term but becoming an employer of choice will bring benefits to the company over time through better candidates (Torrington, Hall, & Taylor, 2008, p. 494) and thus gaining a competitive advantage (Hepburn, 2005, p. 21).

According to Hepburn (2005, p. 21) there are, in fact, several benefits to having a good employer reputation. The benefits translate into more effective recruitment, increased employee motivation and retention, more diverse workforce, gaining a competitive advantage, positive consumer perceptions and tenacity in times of crisis (Hepburn, 2005, p. 21). A similar idea was presented already in 1996 by Smith, Gregory and Cannon (1996, p. 8) who suggested that employee commitment positively affects employee satisfaction which in turn affects a company's success and by Cable and Turban (2003, p. 2260) who found that job seekers' perceptions of a company were affected by corporate reputation and corporate familiarity which in turn affected their perceptions of the job's attributes and expected pride from organisational membership, which in turn affected job-pursuit intentions and the minimum salary required.

A final point in favour of companies actively working to build a positive employer reputation can be derived from Helm (2007, p. 250). He talks about a halo effect where respondents who have insufficient knowledge about a characteristic of a company base their evaluation of that characteristic on another they do have knowledge about. Also they might emphasise those characteristics that have personal meaning to them. Thus, if a company does not actively provide information and sources of reference, potential employees will base their opinions of the company as

an employer on the materials they can find – some of which might not be something the company would like the evaluation to be based on.

## **2.5 Social media and employer reputation**

The role of social media in communications (Bunting & Lipski, 2000; van Zyl, 2009) and human resources management (Henderson & Bowley, 2010; Kluemper & Rosen, 2009; Parker, 2008; Wandel, 2008) was originally discussed in the “Introduction” chapter. In this subchapter the emphasis is on how social media can be seen in connection with employer reputation. As there is no research that can directly be quoted on this topic most of the information in this subchapter consists of relevant ideas and best practices from reputation management and online communications management that can be seen to be of use when constructing employer reputation online.

As mentioned earlier, according to Bunting and Lipski (2000, p. 170) the Internet extends the range of human communications and thus facilitates new patterns of behaviour. Of all the media available it comes closest to the ideal of interpersonal relations (Kent & Taylor, 2002, p. 31) while allowing for a wide dissemination of information (Bunting & Lipski, 2000, p. 171) and direct communications between people who are not physically in the same location. Additionally, social media encourage participation by all users on a more personal level than in traditional web site content (Henderson & Bowley, 2010, p. 239). However, it is still people who affect people in social media, whatever the tools in use. Online communications do not, as such, change human behaviour, motivations, beliefs or values (Bunting & Lipski, 2000, p. 173) they merely make the information more accessible to all. Organisations that

are used to controlling the production, distribution and consumption of their communications can find this loss of control unnerving (Henderson & Bowley, 2010, p. 252) but unfortunately social media may be the only channel to connect with audiences who are drifting away from traditional media (Brown, Broderick, & Lee, 2007, p. 116).

Despite all the benefits and challenges, engagement in social media can be both time consuming and complex (Henderson & Bowley, 2010, p. 249) and companies and communications professionals are using the tools to various degrees. A study by Aula (2011, p. 32) had interesting implications for employer reputation. According to his research, online communications are considered by communications professionals to have a great potential for positive effects on reputation in general but out of all the factors studied they thought that online communications have the smallest effect on cultural and leadership factors. Interestingly enough these two correspond directly to two of Hepburn's (2005, p. 21) employer reputation building blocks.

According to a social media engagement study by Wetpaint (2009, p. 5) brands fall into four engagement profiles: (1) mavens, (2) butterflies, (3) selectives and (4) wallflowers. The mavens have both a social media strategy and a dedicated team, the butterflies are active in several media but have a lower than average engagement score, the selectives are engaged in few media in which they are strongly engaged and the wallflowers are engaged in few media and have low engagement scores. There seems to also be a difference between company use and communications professionals' daily use in social media channels. In Wetpaint's (2009) research companies had adopted up to 11 different social media channels while a year earlier, in another study (Eyrich, Padman, & Sweetser, 2008, pp. 413-414), that concentrated

on the engagement of PR practitioners, the participants reported using only up to 6 tools professionally.

In the “Introduction” –chapter social media were defined as publication platforms for disseminating information and knowledge through dialogue in social interactions. According to Kent and Taylor (2002, p. 33), a reputation gained through dialogue is also often described as ethical but for the same reason as democracy in comparison to dictatorship: because it gives everyone a chance to offer their opinion. However, there is no evidence of this (Kent & Taylor, 2002, p. 33) and a dialogic approach is not a guarantee for a company’s ethical behaviour (Kent & Taylor, 2002, p. 24).

This is something to consider in relation to social media. There is a rising interest in genuine dialogue, transparency and ethics in communications because of such trends as social responsibility (Moreno & Capriotti, 2009) and authenticity (Gilpin, Palazzolo, & Brody, 2010; Gilmore & Pine, 2007; Henderson & Bowley, 2010) and these are definitions that are often connected to social media due to some of its features, such as reduced anonymity (Kent M. L., 2010, p. 645) and collaboration (Henderson & Bowley, 2010, p. 237). But as Kent and Taylor (2002) argue, dialogue does not guarantee ethicality of its content and companies run the risk of a costly backlash from the recipients if the dialogue is not seen as honest, open and authentic (Brown, Broderick, & Lee, 2007, p. 116). Thus, there is a lot for a company to consider when entering into dialogue through social media.

In their research, Wetpaint (2009) found several best practices for companies attempting to integrate social media in their operations. They analysed four top brands and how they had succeeded in social media. The main theme in all of these best practices was the engagement of the entire organisation instead of only few

experts. Table 2 lists the best practices according to the Wetpaint (2009) social media engagement study:

**Table 2. Best Practices for social media engagement**

Company	Best Practices
<b>Starbuck's</b>	<ol style="list-style-type: none"> <li>1. Deputize people throughout the organisation</li> <li>2. Understand how each channel provides a different dimension of engagement</li> <li>3. Centralize coordination</li> <li>4. Find champions who can explain and mitigate risk</li> </ol>
<b>Toyota</b>	<ol style="list-style-type: none"> <li>1. Be in it for the long haul</li> <li>2. Pick channels carefully</li> <li>3. Spread engagement to employees beyond the social media team</li> </ol>
<b>SAP</b>	<ol style="list-style-type: none"> <li>1. Open the platform to anyone and everyone</li> <li>2. Encourage employees to tap into social media to get work done</li> <li>3. Engage in new channels where people already are</li> <li>4. Support engagement as an extension of the company culture</li> </ol>
<b>Dell</b>	<ol style="list-style-type: none"> <li>1. Be conversational from the start</li> <li>2. Make social media part of the job, just like email</li> <li>3. Modularize and synchronize content across channels</li> </ol>

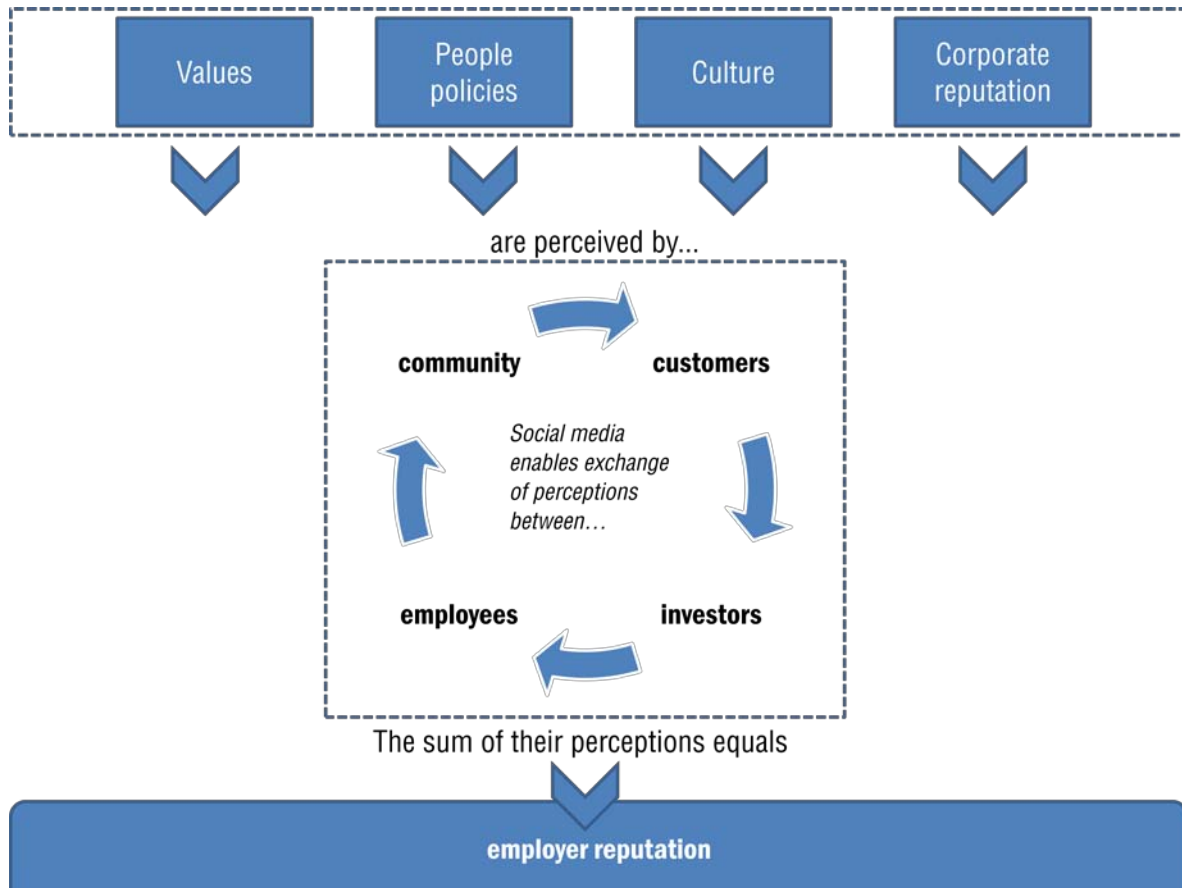
Adapted from Wetpaint, 2009.

All of these best practices can be merged with employer reputation management ideas but looking at them we can also see obvious overlapping and thus they can also be narrowed down to five categories: (1) involving the whole organisation while retaining basic coordination, (2) choosing channels carefully based on their specific functions, (3) encouraging employees to utilise the tools in their daily work, (4) remembering the conversational aspect of social media and (5) engaging in channels where people are already present. Other implications from the research (Wetpaint, 2009, pp. 18-19) were that social media can be quantified, that it affects financial results, that quality should be emphasised over quantity, that a good social media strategy does not require a company to do everything but that it should do *something* and that it is better to be consistent in social media communications than do occasional quick fix campaigns.

## **2.6 Theoretical framework**

The previous chapters have presented the Introduction and the Literature Review, conceptualising employer reputation and social media. The theoretical framework that is described and displayed in this subchapter is based on the issues discussed so far in this thesis.

The theoretical framework is an adapted combination of the corporate reputation model by Argenti (2009, p. 83) and the employer reputation model by Hepburn (2005, p. 21) with social media included in the mix. Figure 7 is a visualisation of the framework.



**Figure 7. Theoretical Framework visualisation**

Adapted from Hepburn, 2005, p. 21 and Argenti, 2009, p. 83.

In the framework (Figure 7) Hepburn’s (2005, p. 21) four building blocks of employer reputation: values, people policies, culture and corporate reputation, have been placed at the top of the figure. This represents the context and environment the four stakeholder groups (employees, community, customers and investors) from Argenti’s (2009, p. 83) corporate reputation framework perceive.

In the middle part the four stakeholder groups; i.e. employees, community, customers and investors, are influenced by each other and their perceptions of values, people policies, culture and corporate reputation while social media both enable and facilitate the communications. This part of the framework highlights the position of social media within the traditional communications model. The reason why the social media square is around the groups and not between them as the communications medium is due to the nature of the social media. Regardless of the isolated messages that take place between the individuals, social media is, by definition, social and thus the messages will be available to a larger audience even when the intended audience was smaller. The sum of all the groups' perceptions and interactions then equals employer reputation.

### **3 DATA AND METHODS**

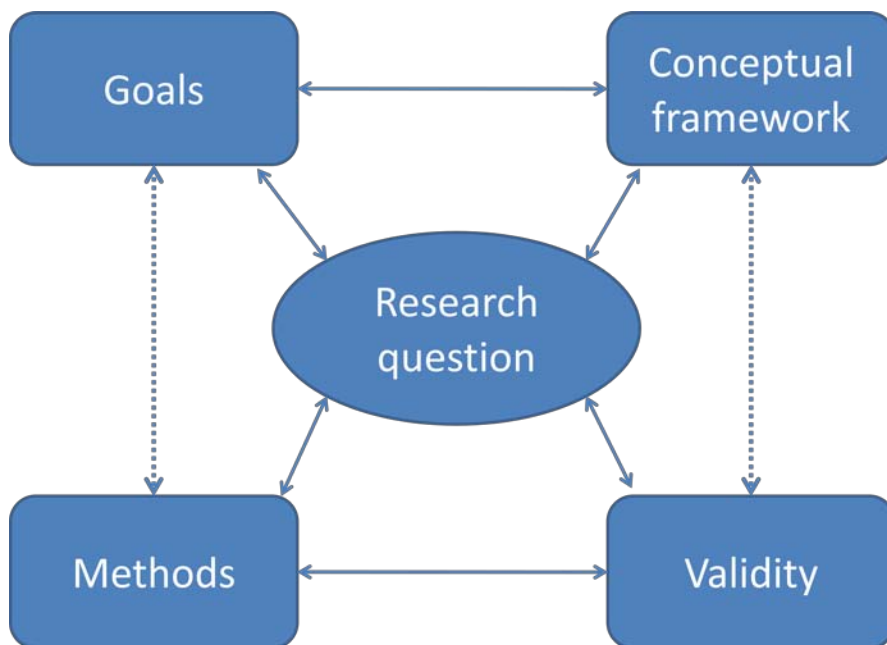
The aim of this thesis was to investigate at the perceptions of Finland's Best Places to Work about employer reputation and especially their use of social media in that context. The chosen method of research was a qualitative and interpretive case study. The data was collected primarily through case company interviews and a review of their online presence and social media engagement.

Qualitative research is rooted in the social sciences (e.g. anthropology) and more precisely the phenomenological position, according to which an individual is seen as an integral part of the social reality (Maykut & Morehouse, 1994). All parties must be evaluated in connection with each other and any interpretation of the social world must be made from the individuals' points of view (Maykut & Morehouse, 1994). In qualitative research this means that those phenomena are studied in their own



environments based on meanings given in those contexts (Kakkuri-Knuutila & Heinlahti, 2006, p. 217).

According to Maxwell (2005, pp. 3-4) a qualitative study cannot be conducted based on a pre-conceived plan. Instead, the various research components: (1) goals, (2) conceptual framework, (3) research questions, (4) methods and (5) validity are all interconnected and interactive. The researcher must continually assess how each piece falls into the rest of the research, how it influences the other parts and whether or not something needs to be changed in order to accomplish the aim of the research. Figure 8 depicts Maxwell's (2005, p. 5) idea for an interactive research design model.



**Figure 8. Interactive model of research design**

Reprinted from Maxwell, 2005, p. 5.

The parts of the upper triangle from Maxwell's model (Figure 8) were discussed in the Introduction -chapter. The current chapter describes the components of the lower triangle: methods and validity in connection with the research questions. The connections of all four to the research questions are discussed further in the final chapters.

According to Locke, Silverman and Spirduso (2004, p. 149) qualitative research can be divided into two subcategories: critical theory and interpretive research, which is commonly used in e.g. participant observation and case studies. Case studies, the chosen method in this thesis, are one of the most common methods of conducting research in business (Yin, 2003). In a case study the researcher will choose only a few or even only one interviewee (Hirsjärvi & Hurme, 2010, p. 58), define the research topic broadly, cover contextual variables and rely on multiple sources of evidence (Yin, 2003).

A case study should always be based within appropriate research literature so to advance knowledge and understanding of the given topic (Yin, 2003, p. 3). Without guidance from the literature selecting the data and topics of interest for the cases may hamper its development. According to Yin (2003, p. 4) a case study is the method of choice when the phenomenon under study is not distinguishable from its context, thus the study cannot rely on a single data collection method. Also, Hirsjärvi and Hurme (2010, p. 58) refer to case studies as the method of choice when the research topic is in a sparsely studied field.

### 3.1 Data collection

The data collection for this thesis was two-fold. The first phase included a review of the case companies' online employer presence, with a special emphasis on their social media presence and the second phase consisted of case company interviews among companies listed as the Best Places to Work in Finland (2010). The interviews were semi-structured and the questions were based on the two research themes: employer reputation and social media.

The case companies were selected with guidance from the Great Place to Work Institute's representative. The original recommendations included four companies, all of which were contacted. Out of the four, only two turned out to be suitable case companies due to one refusal and one miscommunication. The following sections describe the data selection and collection in more detail, however, an overview of the companies can be seen in Table 3 below.

**Table 3. Contacted companies**

<b>Company</b>	<b>Contact</b>	<b>Company field</b>
Company#1	CEO	Sales and marketing solutions, customer service solutions, market research
Company #2	Communications Director	Sales and marketing services, telemarketing solutions
Company #3	Communications Director	Consumer products

### **3.1.1 Review of online employer presence**

A review of the selected companies' online employer presence was conducted prior to the actual interviews with their representatives. The aim was to collect information on how potential candidates would be able to connect with the companies online, based on the 9 Best Practices on career sites listed by NAS Recruitment Communications (2010) and the engagement in social media Best Practices by Wetpaint (2009). As presented in Chapter 2.5, the NAS 9 Best Practices are as follows:

1. Using testimonials to tell candidates they will contribute
2. Giving candidates plenty of opportunity to interact with recruiters
3. Letting them see "a day in the life" of an employee in their job area
4. Using videos to provide details copy cannot
5. Providing alumni connections
6. Providing an events calendar and maintaining it
7. A blog to show candidates they will have a voice
8. Building a talent network
9. Integrating social media marketing into the corporate website

The aim of the review was to look at the case companies' online presence and social media engagement and then compare the findings to how the interviewees' described the same operations. In practice the review was conducted by analysing the companies' web sites and social media profiles, based on the best practices' criteria. Obviously some of the Best Practices by Wetpaint (2009) can only be found out from the employees of the company and not through observation so they have been omitted in this part of the study and are discussed in the Interview phase. Each of the best practices are explained more thoroughly in the Findings subchapters (4.1 and 4.2).

### **3.1.2 Interviews**

The aim of this thesis was to look at how Finland's Best Places to Work perceive employer reputation and its construction, especially through social media. Thus, the case companies naturally had to be chosen from the Great Place to Work Institute's most recent listing.

Originally, the idea was to interview a random sample of companies within the Best Places to Work -listing (Appendix 1) with an emphasis on international companies. However, according to the representative from the Places to Work Institute, only a fraction of the participating companies utilise social media actively in recruitment and reputation management practices. Also, the year 2010 was the first time their annual survey included questions about social media usage at all. Thus, the representative suggested that she would offer recommendations on which companies to interview, based on the most recent research data. As a result, the plan was modified and the research became a case study instead.

The recommendations were received in February 2011 and included four (4) companies, all of which were contacted during March 2011. One of the companies declined the interview due to company policy while two of the companies responded within 15 minutes of the request email and appeared very enthusiastic about taking part. These interviews were both conducted in March 2011.

The interview questions (Appendix 2) were designed and themed according to the research questions. As the empirical part looked at the interviewees' perceptions most of the questions concerned their opinions and views. The first interview was face-to-face while the second interview was conducted by phone due to the fact that the company's headquarters are located in Oulu. The interviews lasted approximately an

hour each, they were recorded and later the main points were transcribed during the writing and analysis phases.

The fourth company responded in April and even though the response regarding the interview was positive, the representative made it clear that the company did not utilise social media in their employer reputation management or in recruitment. This was an unexpected answer as the messages from the Great Place to Work Institute suggested otherwise. Thus the company was not included within the primary case companies. However, as the company's responses in the Great Place to Work Institute's annual research indicated that the company did use social media in some way the company is used for comparison in the online employer reputation review.

### **3.2 Trustworthiness of the thesis**

According to Locke et al. (2004) there are several difficulties in doing qualitative research, such as how to formulate good questions, how to match them with appropriate methodology and how to collect high-quality data. These criteria then affect the trustworthiness or, as the term is often interpreted, validity and reliability of the research (Bryman & Bell, 2003, p. 74).

According to Bryman and Bell (2003), a valid study measures what it is supposed to measure while a reliable study is consistent, i.e. once duplicated the study will yield the same results as the first time around. Whether or not these originally quantitative evaluation tools are a good fit with qualitative research is open to debate. Locke et al. (2004) argue that the evaluation tools should be the same while it is their meanings within the two methods that vary. For example, such requirements as transferability are not directly comparable between the two practices. Bryman and Bell (2003) in

turn question whether or not the tools are appropriate for qualitative research while other authors such as Lincoln and Guba (1985) and Silverman (2010) offer their own frameworks for evaluating qualitative research. Mostly the methods are centred on the researcher's methodological choices but some authors, like Silverman (2010), also emphasise that the evaluation should offer a wider perspective.

The nature of this thesis, an investigation into case companies and the features of their social media use, ensure that this particular study is mainly applicable as a view into the perceptions and current status of the case companies. The main contribution of the thesis is in offering a look at what the situation with employer reputation and social media management is in these particular companies at the moment. It provides an idea of how companies, presumably at the top of the employer reputation game, view and manage their reputation and whether and how they utilise social media to achieve their goals. In order to answer the research questions of this thesis several avenues of data collection were used. A review of the case companies' websites and social media engagement was conducted in addition to the interviews of the case company representatives.

In addition, the present qualitative research design and social media as a research subject cause difficulties for the reliability of the study. Social media do not conform very well to the idea of consistent and duplicable results. It is the inherent nature of online communications and especially social media to change constantly. Also, as the thesis deals with the perceptions of people it is also to be expected that those opinions may change with time. Thus, it would almost seem logical to assume that were someone to duplicate this thesis their results would have to vary to some extent from the findings of the present thesis.

Also, even though the professionals are assumed to answer truthfully in the interviews, there is always the possibility that they have not. For example, as Aula (2011, p. 35) mentions, professionals should not be expected to answer in a way that would undermine their own work. Thus, the companies that do utilise e.g. social media tools are not likely to define them as useless, considering the time it takes to learn their use. In addition, it should be taken into consideration that the companies had recently received their Great Place to Work –status and are thus seen as examples of good employer reputation. This means that the interviewees are likely to be wary of damaging that reputation and may gloss over any potential negative details.

There are of course also redeeming qualities in the study, more specifically due to the choice of companies and the case company method. The fact that the companies have performed well enough in the survey to earn their statuses as Best Places to Work can be seen as an assurance of a good employer reputation. Thus, the case companies can be thought to be a good reference point on how to construct a positive employer reputation, also when it comes to newer channels, such as social media. Finally, the choice of a case company method can also be seen as a source of reliability for this type of a research due to its two defining qualities: (1) consideration of the context of the phenomena through multiple data collection methods (Yin, 2003, p. 4) and (2) suitability for new fields of study (Hirsjärvi & Hurme, 2010, p. 58).

## **4 FINDINGS**

This chapter contains the findings of the study. They are presented according to the two phases of data collection and the subchapters are divided accordingly. The first subchapter is a review of the case companies' online presence from an external



perspective and as such it describes the online part of the context in which the case companies are building their employer reputation. The review is based on the best practices described in the literature review. The second subchapter gives an account of the case company interviews, presented according to the two research questions: (RQ1) How do the Best Places to Work –case companies manage their employer reputation? and (RQ2) What is the role of social media in managing the employer reputation in the Best Places to Work –case companies?

#### **4.1 Review of employer online presence**

This chapter contains the findings from the employer online presence review with an emphasis on how the company communicates to candidates. The review looks at how the companies display their Great Place to Work –status, how employer reputation and recruitment are displayed on the website and how the companies’ online presence compares to the 9 Best Practices developed by NAS Recruitment Communications (2010). Special attention is given to the practice: “Integrate social media marketing” due to the thesis research questions.

As mentioned in the previous chapters there are two case companies (Company #1 and Company #2) in this thesis but due to the reasons explained also above, a third Great Place to Work -company is used in this section for comparison. The third company (Company #3) was also offered as a case company for the thesis, by the Great Place to Work representative, but the company responded that they do not utilise social media in employer reputation management or in recruitment. However, as the company did answer the Institute’s questions in a way that the Great Place to Work -representative thought the company’s social media engagement had a

recruitment function; the company's online presence should offer an interesting comparison to the two actual case companies.

#### **4.1.1 Overview of the companies' websites**

On the Company #1 website it is quite clear that the company is putting a special effort on telling visitors about how and why to apply to the company. On the front page three out of ten stable links are about applying to work at the company. In addition to this, at the time of this review, the main news on the page were the summer job application process and the fact that the company had made it to the Finland's Best Places to Work –listing.

Company #2 website emphasises employee attraction slightly less than Company #1. Out of the ten main links two are relevant to applicants. However, also Company #2's website contains a news item about the Best Places to Work –listing on the front page.

The main website of Company #3 has a different structure and emphasis from the other two because it contains also a web shop for the company's consumer customers. An applicant must thus search for information about the application process from the bottom of the page. On the specific application process page, an applicant is confronted with a lot of information about the application process, different working options and what working at the company is like. However, there is no reference to the Best Places to Work –status of the company, which is surprising as the company finished #1 in its series while the other two were on places seven and sixteen.

#### **4.1.2 Career site best practices**

The first out of the nine Best Practices is “Using testimonials to tell candidates they will contribute”. This practice suggests that a company website should offer statements by employees and/or customers to display how the employees contribute to the company operations. Company #1 has taken the customer route and display’s statements from its customers about how the company has performed. Whether this has been done with the potential employees, potential customers or both in mind is unclear. In addition to the customer testimonials the company also has links to employee stories on their application page. However, at the time of the review the links were not functional but led to 404 error pages. Company #2 and Company #3 have chosen to display stories from their employees. Both companies’ websites offer a range of stories from employees in various positions, age groups and represent both sexes.

The second Best Practice is “Give candidates plenty of opportunity to interact with recruiters”. In practice this means that the companies should offer candidates both channels of communication as well as a way of having a “personal connection” with the recruiter or HR department, such as displaying a photo of the person in charge of recruitment next to their contact information. Companies #1 and #2 include the contact information and picture of the person in charge of recruitment while Company #3’s site includes no contact information aside from the online application form. Companies #1 and #2 also provide online application forms.

The third Best Practice is “Let them see *a day in the life* of an employee in their job area”. The practice is very similar to the first practice but has more emphasis on the daily activities of the employee while the first Best Practice is about the employees’ contribution to the company. As mentioned in the first paragraph all companies have

included employee stories on their websites but only companies #2 and #3 have made sure their links are operational. Company #2 displays short introductory examples of employees with their pictures and basic information. In comparison, Company #3 has longer tales, also with pictures and basic information. In addition, Company #3 has also provided candidates with potential “employment routes” within the company, explaining how the employees’ tasks and positions have changed. It seems that the approach by Company #2 suits the online medium better. Company #3 website, while comprehensive, is more difficult to browse through. However, both companies’ stories seem relatively authentic.

The fourth Best Practice is “videos provide details copy cannot”. This practice suggests that videos about the employees’ and facilities are more likely to attract the applicants than text based information. Out of the three companies only Company #2 uses video material on their website. The videos feature employees telling about work at the company and are also available on YouTube. In addition to videos the site also has an extensive picture library. Companies #1 and #3 had neither videos nor picture libraries.

The fifth Best Practice is “provide alumni connections”. This practice suggests that a company’s recruitment process could benefit from displaying connections it has with e.g. colleges and universities. Based on a quick review of the three sites none of the companies display any such connections. However, this may well be a cultural question, as the practices described in the study come from the USA, while the companies studied here are Finnish, where alumni relations are not as common.

The sixth Best Practice is “provide an events calendar and keep it current”. According to this practice a company should provide candidates with information about e.g. job fairs or other events where company representatives are present. Based on a quick

review of the three websites none of the companies are hosting an events calendar. However, Company #2 hosts a news blog and Facebook feed application that both offer information on company specific events.

The seventh Best Practice is “a blog shows candidates they’ll have a voice”. This practice encourages companies to host a blog for their employees so that they can voice thoughts and opinions about the industry and their jobs. Companies #1 and #3 do not host blogs. Company #2 hosts an interactive blog with social media sharing options for Facebook. However, the blog’s main function is to provide news about the company and is updated mainly by the communications director. In case employees from any of the three companies are blogging about their work there were no links to them on any of the websites, nor did a quick web search bring up any.

The eighth Best Practice is “build a talent network”. This practice encourages companies to create candidate networks where the potential employees can leave their contact details and continue to receive information about interesting openings. Based on a quick review of the companies’ websites none of the companies are building talent networks. Only Company #1 is offering an “open job application” which could be interpreted as an attempt towards building a talent database.

The ninth Best Practice is “Integrate social media marketing”. According to NAS Recruitment Communications (NAS Recruitment Communications, 2010) already a simple “follow me” icon for Facebook, LinkedIn or Twitter would be beneficial for companies in encouraging potential candidates to enter in dialogue with them. However, as the thesis has a strong emphasis on social media in constructing employer reputation this aspect is examined a more thoroughly than suggested by the NAS Best Practices listing.

### **4.1.3 Social media engagement**

In addition to NAS Best Practices the literature review also included a look at another best practices study, the Wetpaint (2009) social media engagement research. The study was discussed in more detail in chapter 2.5 and dealt with the best practices from some of the top engaged brands in social media. According to the Wetpaint research (2009) there were several best practices that had proven beneficial. In the literature review these were reduced down to five that were present in the majority of the companies Wetpaint (2009) studied.

- (1) involving the whole organisation while retaining basic coordination
- (2) choosing channels carefully based on their specific functions
- (3) encouraging employees to utilise the tools in their daily work
- (4) remembering the conversational aspect of social media
- (5) engaging in channels where people already are present

Obviously these practices are such that they cannot be analysed solely on website and social media observation. Therefore these best practices will be discussed again later in connection to the interviews, but this section includes a review of the companies' social media palette based on external observations about the number of their activity and nature of their engagement.

Table 3 shows an overview of the companies' social media presences. The list is in no way comprehensive but does cover the most commonly used social media types and channels.

**Table 4. Case companies' social media presence**

	<b>Company #1</b>	<b>Company #2</b>	<b>Company #3</b>
<b>Blogs</b>	No results on site or through search engines	Blog based news on website No results through search engines	Several fan blogs but no official one
<b>Micro-blogs</b>	Twitter	-	Twitter but scattered
<b>Social networks</b>	Facebook	Facebook LinkedIn	Facebook (several pages)
<b>Video and image sharing</b>	Own site includes both videos and pictures Marketing video on YouTube	Own site and FB profile include both videos and pictures YouTube includes both company and recruitment videos	Unofficial YouTube videos
<b>Podcasts</b>	No results	No results	Podcasts and audio books
<b>Forums</b>	No results on site or through search engines but active Facebook forum	No results on site or through search engines	Several fan led forums
<b>Wikis</b>	No results on site or through search engines	No results on site or through search engines	Article in Wikipedia and several fan led wiki's for product use
<b>Social ratings and reviews</b>	No results on site or through search engines	Like buttons on site and in news	Nothing visible on site but several ratings on Digg
<b>Virtual worlds</b>	No results on site or through search engines	No results on site or through search engines	No results on site or through search engines
<b>Mashups</b>	Google Maps	Google Maps	No results
<b>Other</b>	Shareable online presentations	-	Applications with social layers for iPhone / iPad

Aside from Google Maps mashups on their site and some online presentations Company #1's social media engagement is concentrated on Twitter, Facebook and YouTube. Twitter and Facebook profiles are used by several people from the company. Based on a quick review the discussion is active and interactive but mainly between the members of the staff. Both profiles are fairly company specific and the company has taken no initiative to connect with e.g. other companies. On Facebook the company profile "likes" one other page, while in Twitter the company account follows no one. On YouTube the company presence is primarily about marketing the company and its products. The promo video is aimed at potential customers. When it comes to employer reputation and recruitment the main social media channel is use is Facebook. The company profile includes information about job openings and the postings in the discussion forum describe the work, culture and working conditions of the current employees. Also the employees' active engagement in the forum allows for personal contacts with the current employees in case a potential applicant would wish to make one.

In comparison, Company #2 is engaged in more channels. The company has a presence in Facebook, LinkedIn and YouTube and utilises also other channels such as a blog-form news section on the company site, Google Maps mashups and Facebook integration in both site and news section ("Like" –buttons). The company profile in Facebook is engaged with other pages and companies and although the page does not include a discussion forum the profile seems active based on the wall postings.

In Company #2 social media are also used widely in employer reputation and recruitment activities. The company's Facebook page includes all of the same materials as the company's career webpage: pictures, videos, recruitment forms, job descriptions and advertisements as well as links to the recruitment page for



additional information. The visual outlook of the page has also been designed specifically for social media use, although the theme is still clearly similar to the company's website. The elements include a multitude of pictures and colours that are complemented with short and to the point descriptions. Job advertisements have also been made easy for people to save or share as they are both in "post" and picture form. In fact, most of the materials available in the company profile are aimed at potential employees.

The same theme continues with the company's other social media profiles as well. Although the company's LinkedIn profile is more traditional in terms of colouring and pictures, also due to the limitations of the service, the profile is extensive based on the possibilities it offers. The profile includes company information, contact details, listing of the employees in LinkedIn and the public feed about recent hires, promotions and departures, which is one of the newer features of the social network. The employees featured in the LinkedIn profile have relatively up-to-date profiles with pictures. A combination which is surprisingly rare in most profiles. Finally, the company's YouTube channel contains two videos with an emphasis on recruitment. These are the same videos that are available in all of the company's other channels as well.

Company #3 is engaged in an even wider variety of social media platforms, including Facebook, Twitter, podcasts, blogs, etc. However, the engagement seems a lot more scattered and unorganised to an observer. A lot of the company's social media presence has been created by the company's fans and not as the result of the company's own communications. The channels the company itself seems to be engaged in are Facebook, Twitter, podcasts and applications for iPhone and iPad. The profiles in Facebook and Twitter are divided into several localised pages for various countries and products and there seems to be a wide variety in how the different

accounts are being handled. For example, even the visual elements of the company's Twitter accounts are not in line with each other. Overall, the company appears to have left a lot of its social media reputation management over to its fans with minimal engagement from the company. Thus, it is understandable that the company representatives commented that they did not utilise social media in employer reputation and recruitment communications, even though the company clearly is a topic of conversation in social media.

Overall, the companies' websites meet most of the criteria of the best practices and they have clearly been paid attention to. However, when it comes to social media none of the companies were using them to a wide extent. The companies were present only in a few channels and even then the engagement was fairly low. There were a few differences between the two actual case companies but overall they both seemed to be in the beginning phases of their social media use.

Interestingly, both case companies' social media presences were almost completely company led and quite narrow whereas the third comparison company had practically no company led social media presence at all, even though at first glance it seemed to be the most engaged. The reason why this is interesting is that the two case companies are mainly business-to-business companies, while the third comparison company is a producer and seller of consumer products. At first glance, one would have expected a consumer products' company to look to engage its customers, instead of leaving them to shape its social media presence. But then again, business-to-business relationships can also rely a lot on the personal relationships between the companies' representatives. Also, the sheer number of customers to engage with online may be a slowing factor for a consumer company whereas for a business-to-business company the number may be a lot more manageable.

## **4.2 Interview findings**

The first research question “How do Finland’s Best Places to Work –case companies construct their employer reputation?” was approached through a set of questions dealing with the interviewees’ perceptions of employer reputation and how it is being constructed in their respective companies. The set of questions was also designed to find out what channels the companies use in communicating their employer reputation and who within the companies was in charge of the area.

The second research question “What is the role of social media in managing the employer reputation in the Best Places to Work –case companies?” was approached through another set of questions that concentrated on the usage of social media within the company both in general and in connection with employer reputation. In addition, the second set included questions on how the interviewees thought social media would be used in their respective companies in the future.

The following sections include the interview findings from the two case companies. They have been divided according to themes that arose during the interviews. The sections 4.2.1 to 4.2.3 discuss the topics of the first research question and the sections 4.2.4 to 4.2.7 concentrate on the second research question.

### **4.2.1 The role of employer reputation in case companies**

Not surprisingly for companies participating in the Best Places to Work –listing, both interviewees saw employer reputation as important, especially in recruitment. Largely, the views were similar to the ideas referred to in the literature review. The interviewees even mentioned independently several of the same ideas as the researchers. For example, Interviewee #2 talked about how the construction of

corporate culture and employer reputation has recently become important issues in communications. This statement is similar to Hepburn's (2005, p. 20) message about employer reputation becoming a matter of board-level concern.

Both Interviewees #1 and #2 saw employer reputation as a source of competitive advantage in their respective businesses, especially in recruitment. Interviewee #1 said that the company uses the Great Place to Work –status in all communications to potential applicants and also to some extent to its other stakeholders, such as customers. She estimated that as much as 80% of their applicants bring up the company's status as a Great Place to Work during the recruitment process and that it is one of the most common reasons why people apply to the company. Interviewee #2 also felt that their reputation as a Great Place to Work distinguishes the company from its competitors and thus it is also emphasised in the company's communications.

According to Interviewee #1 their employer reputation also has a big effect on their customer relations. In their field customers are always worried about how people in the companies are treated, as in general, the staff turnover in the field is very fast. The customers are constantly in contact with the personnel and prefer that their projects are handled by the same people. Thus, according to Interviewee #1, a good employer reputation affects the company's sales directly and is a selling point in their field. However, Interviewee #1 also emphasised the fact that she did not see any point in a working environment where these things that affect employer reputation are not in order, what ever the field the company is in.

As mentioned earlier, both Interviewees #1 and #2 regarded employer reputation as especially important for recruitment communications. In Company #2 this is reflected by the fact that recruitment communications have been separated from external and internal communications into their own niche. This emphasis on recruitment

communications could also be seen in the review of the company's website where the company's status as a Great Place to Work is presented very prominently, as mentioned in the previous subsection of the thesis.

#### **4.2.2 Employer reputation is not the responsibility of a single department**

In Hepburn's (2005, p. 22) research, employer reputation was most often managed by the HR department but some case companies also reported cross-company steering committees and most of them attempted to build involvement throughout the organisation. In comparison, the interviewees for this thesis emphasised cooperation between departments and even the whole personnel in building employer reputation.

Interviewee #1 stated on several occasions that employer reputation in the company was not managed by any certain individual. While she did name the CEO, contact centre managers and communications staff as the people mainly responsible for maintaining a good employer reputation, she made it a point to emphasise the involvement of the whole personnel in the construction process. According to her, the company's employer reputation is so tightly connected to its corporate culture that there is no need for "official" employer reputation management among the staff. Thus, Interviewee #1 also felt that there had been no need for e.g. internal employer reputation campaigns. Instead the company culture and community are so strong that the emphasis is very strongly on communicating those to the potential applicants. For the moment these have included e.g. as newspaper supplements and internal "friend recruitment" -campaigns.

In Company #2 the development of employer reputation is the responsibility of both the human resources and communications departments. According to the interviewee

#2, the directors of the two departments meet periodically with each other to discuss the company's corporate reputation, internal communications, values and other issues deemed important for constructing the company's employer reputation.

Similarly to Interviewee #1, Interviewee #2 also felt that the company's employees were centric to recruiting the best possible people. Interviewee #2 also saw an operational difference between the company locations. According to her, near a more established location the best people clearly came through recommendations from existing employees whereas in new locations the role of external communications is more prominent. Interviewee #2 felt that in these cases the company needs to, in a way; assure the potential employees that they are indeed a good company to work for.

#### **4.2.3 Constructing employer reputation**

According to Hepburn (2005, p. 21) the four building blocks of employer reputation were values, people policies, culture and corporate reputation. While the interviewees agreed with the four they clearly emphasised culture and values the most. According to Interviewee #1 the reason why company culture is so important is that the company wants to hire their kind of people while at the same time everything in the recruitment process from the job advert to the interview and orientation is based on the values of the company.

Interviewee #1 mentioned on many occasions that the reason she thought they had gained the Great Place to Work –status was because of the good strong culture they had within the company. She also explained that for a long time employer reputation had been more of an internal issue but that lately the company had tried to use social media (mainly Facebook) to communicate their internal culture also to the outside

world. According to Interviewee #1 it is their intent to attempt to use social media more widely for this purpose in the future.

Interviewee #1 said that they were often asked how they had managed to create such a good employer reputation but felt that there is no special recipe to it. Rather, it consists of many small things in the daily life of the company, such as simply talking and communicating openly and daily with the people in the company. It is important to remember to discuss and share things. According to her this is sometimes difficult for managers to remember and often it is not done but she felt that as long as the communications within the company are in order it also shows to the outside world. In her opinion, a company can build fancy strategies but the most important thing is to get people involved and to believe in same things such as open communications and discussion. Of course there are moments when there is a need to build a certain part of the culture to a certain direction and then potentially recruit certain kinds of people but in general the recruitment requirements remain the same.

Also Interviewee #2 centred on the values of the company in building an employer reputation. She felt that integrating the company values into the daily operations and communications of the company served as the foundation on which the employer reputation was built. Similarly to Interviewee #1 who stressed the importance of open and continuous discussion with the personnel, also Interviewee #2 emphasised the openness and transparency in company communications. Similarly, she mentioned that they also attempted to give as true messages as possible outside the company as well. In addition, she felt that one of the reasons the company had succeeded in constructing an employer reputation was due to its organisation structure. Everything from IT and accounting to communications and marketing is handled within the company, instead of outside contractors. Interviewee #2 felt that this made

constructing a consistent employer reputation much easier than if the organisation was not as self-sufficient.

The way the companies approached employer reputation management were quite different. Both Interviewee #1 and Interviewee #2 answered that their respective companies do not have a specific employer reputation management strategy but whereas Interviewee #1 highlighted the importance of the company culture in addition to the values, Interviewee #2 felt the employer reputation was more tied to company reputation. According to her, how the employer reputation is approached in the company is dependent on the company's strategic priorities. This was a fairly different statement from the Interviewee #1's more human centric approach.

In comparison to Company #1, Company #2 has a more visible structure and plan behind employer reputation and recruitment. According to Interviewee #2, communications have been building the strategy slowly together with sales and other officials. The site and social media communications are taken care of by a team of four people, mainly from communications. According to Interviewee #2 other employees are not directly encouraged to take part in e.g. social media communications but the communications have begun to have a life on their own.

When asked which channel Interviewee #2 saw as the best one she could not name one. However, she did say that out of all channels in use the company puts most effort into the company's own recruitment page. The page has been built around a good employer –theme and showcases the company's strengths as an employer. Also, she said that Facebook and Google are both extremely important channels for the company in e.g. managing recruitment campaigns and building company reputation. In addition to the website the company is also present in social networks and uses online marketing. Both the website and social media channels are then used in sync



with occasional print materials and guerrilla marketing. All of these channels are used actively in various recruitment campaigns, both specific (students) and mainstream. Up until now the campaigns have been more oriented towards finding suitable applicants than directly building employer reputation.

#### **4.2.4 The use of social media**

As discussed earlier in the thesis the companies' engagement in social media varied both in general and in terms of employer reputation and recruitment. Company #1 has been present in social media for a little less than one year and Interviewee #1 felt that they were only beginning to find their footing in social media. Company #2 has been present in social media for a year and a half but Interviewee #2 gave the impression of having a clear idea of what she wanted her company to accomplish online.

According to Interviewee #1, the only social network currently in use for recruitment and employer reputation management purposes is Facebook, even though the use is more transitory than direct i.e. employees use the company profile to share messages about the company culture as well as their personal ideas. These then provide any visitor, such as a potential employee, with an idea what it is like to work at the company.

In Company #2 the media palette is more varied. The company has been present in Facebook for approximately year and a half, for six to eight months in YouTube and used social media marketing for about a year. Also, Interviewee #2 mentioned the company has utilised other types of online marketing tools such as Google marketing for years. As mentioned in the previous section, Interviewee #2 saw these in addition

to the company site as very important channels. One of the reasons she mentioned for this was that as a rule their employees are fairly young.

When asked about the transfer period into social media Interviewee #1 felt that it had been a fairly easy one, thanks to a strong company culture. Since the company began to use social media tools all employees have been encouraged to take part in it and have been driving force behind the transfer. According to Interviewee #1 both the company's employer reputation and social media communications are based on the employees' personalities. According to her the company's internal culture is so strong they were able to trust that the company's intentions would be communicated in the right way through the people. Of course it was not all smooth sailing and getting people involved in the first place was a bit of a challenge as people did not want to write online. According to Interviewee #1 the first six months in social media has been about discussing within the company about the topic, about trying new things and gaining the confidence to participate.

#### **4.2.5 Measuring employer reputation and social media**

Company #1 did not, at the moment of the interviews, measure social media engagement or how it affects employer reputation. According to Interviewee #1 they were still pondering about all the possibilities they have and for the time being the most important thing to do is to get the personnel to see, try and believe in social media. Interviewee #1 felt that they were now beginning to reach that stage where the employees felt comfortable using social media and they could think about expanding their involvement. Also, she mentioned that in some ways they already had received feedback about their involvement in Facebook through e.g. interviews where the

applicants mentioned they had been referred to the company by their relatives based on what they had read in the company's profile.

In comparison, Company #2 measures social media actively when it comes to their recruitment campaigns. The company measures e.g. through which channel applications come, where the applicants found out about the company and the job opening and how many applicants each channel has provided. According to Interviewee #2 Facebook and Google are the most popular channels in addition to the company website. She also said that Facebook has affected the number of applicants positively but that the company has not, as of yet, measured how social media have affected the quality of applicants.

#### **4.2.6 Managing employer reputation and social media**

*"It's difficult to manage but it's more difficult if you're not there."*

*- Interviewee #2*

Some of the literature review sources suggested that reputation and thus reputation through social media are unmanageable. When asked the question, Interviewee #1 had a very strong opinion on the matter. According to her social media do not need to be managed and they even should not be managed. In her words if one "has a pure heart" and everything is well within the company there is no need to limit or manage. Instead she felt people should be motivated to be more involved (in social media) and if something negative were to get posted then it does. In comparison, Interviewee #2 had a more practically oriented approach. According to her the company can always manage its own communications and not being present in social media gives the audience totally free hands without any input from the company itself. While she

thought that it may be difficult to manage how the company is displayed in social media it is certain that managing something you do not take part in is even more difficult.

According to Interviewee #1 any management they have had to do in regards to social media is about activating people to get involved but once they became familiar with the tools and found the time for it there was no longer any need to manage them. The Interviewee #1 saw time management as a special issue because the company does not and will not have a person solely responsible for social media. Instead, everyone in management is expected to take part. At times, the managers need to be reminded to remain active but when they have tried the tools once or twice, the next step is easier to take.

#### **4.2.7 The future**

Interviewee #1 mentioned several times that the company is currently in a phase of change in terms of communicating about employer reputation and recruitment. Company #1 has now been present in social media for less than a year and according to Interviewee #1 their intent is to bring new media to their toolbox this spring (2011). At first Interviewee #1 said she could not yet say how the company was planning to execute these plans but later on in the interview she mentioned a few services they were going to implement.

The first new service that came up in Interview #1 was a blog. Interviewee #1 mentioned that they had planned to input one on the company web site with the idea that it would be open to everyone in the company, not just the CEO. In addition, she mentioned that they had been thinking about marketing in social media but she was

not yet certain whether this would be related to customers or recruitment. The main message she had was that they were in the process of browsing various forums and social networks to see where their company could take part in discussions.

Even though Interviewee #2 saw social media channels as important for the company she also saw many things they could improve. For example, she thought that the company still uses social media too little for communicating intangible messages such as values. She explained that at the moment the company's Facebook page is still used more as a tool for internal than external communications, even though the company does publish events and job ads there as well. This is in direct comparison to Facebook marketing, where employees have been removed from the target group. Interviewee #2 felt that the company is slowly moving towards a more integrated approach where all social media communications would extend outside the company.

Overall, Interviewee #1 felt that recruitment would, in the future, be a field where social media and discussion forums would be used. She said that the plan for the company during the spring 2011 is to look into this matter and that the company would try e.g. LinkedIn during this time.

When it comes to employer reputation Interviewee #1 mentioned that so far the company has put most emphasis on communicating about how the employees are treated and feel. Now, along with the company's new name, website and visual image the idea is to emphasise also the professional aspects of their employees. Now that they are perceived as an ethical and a well behaving company where people feel good they also want to be recognised for their professional merits.

In the end, the interview findings supported the findings from the online presence review. As suggested by the review findings, the companies had only recently adopted

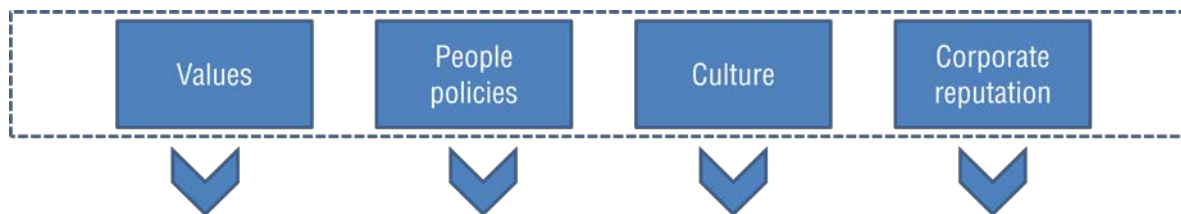
social media as part of their activities and had chosen to enter only a few selected social networks. Overall, the interviewees felt positive about social media use and did not find it especially challenging in comparison to any other communications. However, the two companies did differ in the method of implementation, the other being more structured, the other less so. All of these findings are discussed in more detail in the following chapter.

## **5 DISCUSSION**

This chapter discusses the findings from the interviews and the online presence review in comparison to the theories presented in the literature review and in the context of the theoretical framework. For the most part the discussion follows the theoretical framework from the building blocks of employer reputation (Figure 9) to the parties interacting with and affecting it (Figure 10). In addition, some attention is given to the findings from the online presence review and the Wetpaint (2009) study's best practices, discussed in the literature review and the findings chapter.

For the most part, the findings from the review and the interviews support the ideas presented in the literature review. The interviewees commented at length on the importance of employer reputation, as introduced by Hepburn (2005), both during email discussions, when approached about the interview, and during the actual interviews. In addition, they also commented on the connection between a good employer reputation and a competitive advantage (Hepburn, 2005, p. 21), both in attracting and retaining applicants and retaining customers. Of course, already the fact that the case companies have taken part in the Great Place to Work research suggests that an employer reputation is important to them.

The first part of the theoretical framework (see Figure 9) is based on Hepburn's (2005, p. 21) four components of employer reputation: values, people policies, culture and corporate reputation. Both interviewees agreed that these are part of constructing a positive employer reputation. However, it was values that definitely seemed to be the guiding light in the companies' operations. Both interviewees emphasised the importance of values and their relation to the employees' daily routines a lot more than any other element of the figure.



**Figure 9. Theoretical framework, part 1**

Adapted from Hepburn, 2005, p. 21

The interviewees also emphasised the “soft factors” such as openness and communication, which were also an important part of Hepburn's (2005, p. 21) paper. These were especially evident in case Company #1 where the interviewee repeatedly spoke about the strength of their internal culture and how they had built their positive employer reputation through open communications with their employees. In fact, the interviewee's opinion seemed to be that employer reputation was an integral part of how the management and operations of the company are conducted.

The theme continued with the questions about who was responsible for employer reputation within the company. When asked directly Interviewee #1 named the CEO,

contact centre managers and the communications staff as mainly responsible. In Company #2 the responsibility fell on HR and communications departments. But overall, both interviewees gave a lot of credit to their staff and emphasised that more important than a specific person were the open and true communications between departments and different functions of the company. This view of employer reputation actually corresponds to a common idea of reputation in general. For example, Helm (2007, p. 238) and Argenti (2009, p. 53) both emphasise that reputation is not solely the responsibility of the communication department.

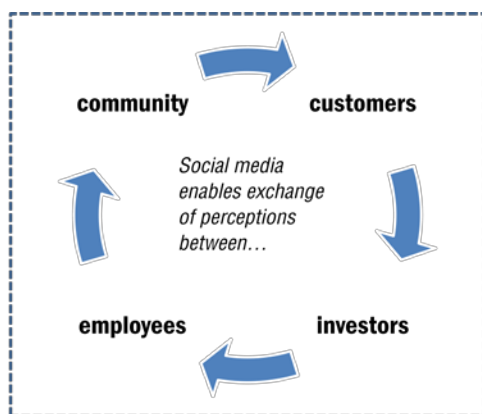
As mentioned in the Findings –chapter, Interviewee #1 felt that the company's employer reputation is so tightly connected to its culture and people that there was no need for a separate employer reputation management strategy, neither on- or offline. This was a fairly unexpected answer as usually the academic discussion centres on whether a reputation can (Davies et al., 2003, p. 62) or cannot be managed (Argenti, 2009, p. 55), not whether it should or should not be managed. The interviewee seemed to have a lot of trust in people's abilities and personal skills in communications, also in social media. In fact, it was quite a refreshing point of view for someone to place so much faith in their co-workers' abilities to navigate the new communications tools in comparison to a common belief that companies in general to feel lost in the face of online communications and social media (Bunting & Lipski, 2000; van Zyl, 2009; Henderson & Bowley, 2010).

The interviewees felt very strongly that the company's reputation sort of "belonged" to everyone. The employees were expected to have an active role in constructing employer reputation and in communicating it to the outside world. This reflects well the first and third categories of best practices derived from Wetpaint's (2009) study:



“(1) involving the whole organisation while retaining basic coordination” and “(3) encouraging employees to utilise the tools in their daily work”.

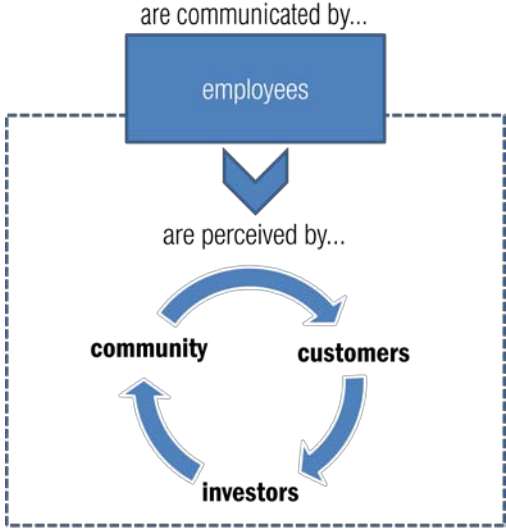
Even though the interviewees seemed fairly confident in their employer reputation management approaches, it was interesting how strongly everything circled around the existing employees. When enquired about the other three groups in the second part of the theoretical framework (Figure 10), they admitted the social media connections were not as strong. In both companies most of the messages customers, investors and the community would receive regarding employer reputation came through the existing employees or the company website, as seen from the online presence review in Chapter 4.1. Social media was still seen as largely an internal tool even though the messages in e.g. the companies Facebook walls are open to public. Still, most of those were posted by the employees as well. In a way this reflects the fourth best practice that was chosen from the Wetpaint (2009) study: remembering the conversational aspect of social media. Taking such an informal approach with their social media presence may even work to the company’s advantage.



**Figure 10. Theoretical framework, part 2**

Adapted from Argenti, 2009, p. 83.

At the moment of the interviews, the companies' social media presence did not respond to the model presented in the theoretical framework (Chapter 2). The framework model is closer to the companies' future goals while the current situation had employees an additional filter as depicted by Figure 11.



**Figure 11. Current social media communications in case companies**

Adapted from Argenti, 2009, p. 83.

In the end the social media tools in the companies' daily routines were very new. The two case companies had been involved in just a few channels for approximately a year. In light of all the academic research and media hype about social media, one would expect that the companies at the top of the employer reputation ladder would be more engaged with the channels, especially due to their status as frontrunners. Especially, since studies such as Wetpaint's (2009) social media engagement study have shown that there is a correlation between those who perform well at social media and those that perform well financially.

The second category of best practices derived from Wetpaint's (2009) research was that a company should also be careful in choosing the social media channels, based on their specific functions. Also the fact that the companies only engage in a few of the more popular channels is by no means regarded as negative. For example, the fifth category of best practices adapted from the Wetpaint (2009) study was the recommendation to engage in channels where people are already present to maximise their impact based on the time spent. Also, constructing a reputation is thought to be a long process, not a short one (Helm, 2007, p. 238; Argenti, 2009, p. 53). It might be because much of the social media research has been done on marketing campaigns that it is not always easy to remember that a year or two in reputation management does not necessarily equal a long time.

In addition, the companies' employer quality might be the aspect making them hold back. As Interviewee #1 accentuated their company would only enter social media fully once their employees felt at ease using the tools. Their first year of social media usage had been solely for the benefit of the members of the staff, to give them time to adjust. Perhaps it is exactly this refusal to jump on the bandwagon until everyone is aboard why the companies receive such high marks from their employees. This viewpoint was also hinted at by Interviewee #1 as she talked about how the company has so far concentrated mainly on the employees' wellbeing and how they are only now beginning to communicate their expertise online.

In fact, it would seem that both employer reputation management and recruitment are somewhat social concepts themselves. Once you think about it, it seems quite logical. Both employer reputation and recruitment are about people; how they are treated in the companies, how they feel and respond to the companies' actions, who is a good fit for the existing personnel and who gets chosen for a job opening. More often

than not it all comes down to personal relations and individual choices. Just as Interviewee #2 mentioned, regardless of job advertisements and several recruitment channels, the best people they get still come through personal recommendations from people who are already working at the company. Similarly, Interviewee #1 also talked about the “friend-recruitment campaigns” their company held. These models actually correspond quite well to some of the social media tools in use, as discussed in the literature review (2.2.3) such as the peer-to-peer recruitment service JobPrize (2011).

The same model held true for retaining employees. Both Interviewee #1 and #2 felt that the best way to build a good employer reputation was to communicate with the employees and make them feel like they were being listened to. According to Interviewee #1, having employees understand and believe in the same ideas is much more important than building strategies.

It would seem that social media would be the perfect fit for this situation. The channels act as a gateway for the current employees to communicate their culture to potential employees. Especially Interviewee #1 explained how she felt that social media is a natural avenue for the company to explore because their culture at the moment is so strong that they feel confident enough to share it with others. Again, it was confidence in the employees and their performance in social media that came through most strongly in the interview. In fact, Interviewee #1 went far enough to argue that she did not believe the culture, reputation or social media should be managed at all.

In the end, both companies were doing well with their employer reputations and emphasizes on people but had a very different approach to managing them online. Perhaps the thing to learn from that is that the companies’ approaches to social media will be similar to the working culture the company has. This does not mean the

culture is either right or wrong but rather inherent and specific to the company. The social model is then reflected online to the social interactions as well.

## **6 CONCLUSION**

This chapter concludes the thesis by summarising the main points in the research. The subchapters also include potential practical implications, limitations and recommendations for further research.

### **6.1 Research summary**

The main theme in this thesis has been the construction of employer reputation, especially in the online environment and social media. Although social media are still considered a relatively new topic of research, employer reputation is even more so. Lately it has grown into a widespread topic of interest, though most of the research has been done in the corporate rather than academic circles.

There can be seen two main drivers for this growth in interest. The first is the way people's idea of work is changing, mainly due to technological developments. The concept of office hours has eroded, time zones and company boundaries no longer matter, streamlining has made the remaining employees more important and employees themselves want more than a pay check from their employer. The second driver is related to the employees' changing attitudes. As the employees and candidates are asking for more from the companies, so are the customers and other constituents. Themes, such as corporate social responsibility, are becoming more

important by the day and, as a result, it is no longer enough that companies act responsibly towards their employees. They must also be perceived to act responsibly.

Based on this background, a case company method was chosen where two companies were reviewed and interviewed about their employer reputation communications both online and off. The companies were selected among the Great Place to Work Institute's annual survey results because the presupposition was that the companies specifically participating in employer reputation programs would have more advanced ideas regarding its management.

Overall the results from the online presence review and the interviews corresponded closely to the ideas presented in the literature view. The case companies saw employer reputation as important, as a competitive advantage, as a good tool for recruitment and with a direct impact on sales. In addition, their message was that there is no single recipe for constructing a good employer reputation, aside from being open and transparent, communicating, discussing and sharing with employees and with other stakeholder groups. When put in Hepburn's (2005) employer reputation terminology, one could say that the case companies' employer reputation was guided by their values and dependent on their culture. The author's (Hepburn, 2005) two other parts (corporate reputation and people policies) did not receive similar attention from the interviewees as the other two.

On top of these guidelines there seemed to be a few other similarities between the case companies. Based on the interviewees' answers, employer reputation is not the responsibility of a single department. The interviewees felt that it was more important to involve the whole organisation in the construction process, rather than to have a full-on management plan for building one. Also it was fairly evident from both interviews that even though reputation is something that is often connected to an

outside perspective of a company, when it comes to an employer reputation the whole process begins closer from home. The case companies had both begun building their employer reputations first with their existing staff and then moving on outside. The same held true for trying out the social media. Especially in Case Company #1 the whole process of taking on social media began with a year's trying-out phase for the employees. Instead of requiring instant participation and use, the employees were given time to adjust and try the new channels out within their own work teams.

The companies' social media engagement was relatively low when compared in hard numbers to e.g. the companies in Wetpaint's study (5-6 to 11) but, on the other hand, their presence and strategy did correspond to the best practices outlined in the same study. The message seems to be that when adopting new channels such as social media, these companies will encourage their employees to experiment but also make sure they feel comfortable using them. Thus, the companies will also give their employees time to adjust and learn. However, in the end, many of the aspects of employer reputation are very social in nature, such as choosing who to employ, how to find a good fit to the company and how the existing employees feel and communicate about the company they are working for. Once the employees become familiar with social media, they may turn out to be quite valuable tools for the purpose. And as the interviewees themselves said, they are only looking for more ways of implementation in that area, not less.

## **6.2 Practical implications**

The main value of this thesis is in opening more discussion on employer reputation and its construction through social media. The literature review can be used as a

starting point on finding related research while the findings of the empirical part clearly support many of the ideas presented in the text. The main implications for constructing employer reputation were the importance of values and culture and involving employees in the process. When it comes to social media the main implication seemed to be that regardless of the channel, building a reputation, employer or otherwise, is still a long term process, just as it was with earlier channels. The companies seemed happy to take time to learn and implement the channels in ways that suited their culture and requirements even though they might have taken another approach if the question were about a social media marketing campaign. In short, yes, there is interest among the companies in social media and yes, they are suitable tools for employer reputation but with a twist. In fact, hearing the interviewees talk about selecting the right set of social media channels and implementing them throughout the organisation sounded quite similar to having them discuss their process of selecting and orienting a new employee in the organisation. Regardless of all the time spent on scouting, testing and becoming familiar, it all narrowed down to: “are they a good fit”.

### **6.3 Limitations**

Both social media and employer reputation are relatively new topics of study but one cannot really claim that there is no related research. In fact, studies on social media seem to emerge in hordes at the moment. Also studies on reputation, although fewer on employer reputation, are beginning to be available in large quantities. However, the real challenge for this thesis was the lack of any established practices or theories in both fields. There is some research about employer reputation in various reputation studies but for the moment there was only one actual attempt (Hepburn,



2005) at conceptualizing the theory. Therefore, it was a challenge to design a theoretical framework based on several related side notes or similar fields of study than it would have been to base the research on established frameworks. Of course, this kind of an exploration offers a lot of freedom in building the study but there is also the risk of losing track as only few earlier theoretical approaches to the phenomenon exist.

When it comes to research on social media, the real problem was related to the pace of technological development, i.e. previous research becomes soon obsolete. When you are, in general, dealing with individual perceptions about tools that change drastically several times a year you must be sceptical about all and any information. Luckily, there were many consistencies between studies and the theoretical framework could be built on those similarities. Also, there is the possibility that by the time the thesis is printed out some of the interviewees perceptions may already have changed and the results are no longer up to date. Regardless, writing about a constantly changing topic does provide you with a sense that you are really are looking at something new. This thesis is, at best, a glance into a certain moment in time, what the situation with the particular companies was at that particular time.

In addition to challenges in the theoretical part this thesis also the choice of data and companies were a challenge. The Best Places to Work are already a highly defined subset of companies and in no way representative of all organisations. Also the concentration on two case companies with emphasis on social media meant that the results might answer only a very specific question. However, this limitation is somewhat also remedied by the fact that being members of the Best Places to Work – listing does mean that the practices learned from the companies have been proven to work at least to some extent and thus might provide useful ideas to other as well. Of

course, there is no way to know whether all answers provided by the interviewees truly were relevant in them attaining a positive employer reputation.

## **6.4 Recommendations for further research**

As mentioned before, this thesis had a very specific concentration on a few companies from a very small niche. Thus, the recommendations for further research obviously include a recommendation for a more thorough study that would include a wider variety of companies or perhaps compare the Great Place to Work companies with those who are not on the list.

Also, this study was done fairly early in relation to how long the case companies had been in social media. It would be interesting to do a longer follow-up study on the two case companies as both of them mentioned that they have a lot of ideas and plans for online recruitment and social media integration in the future. A long-term observation would provide data on how the companies are actually developing their online or social media palettes and which services get implemented or dropped and why. This type of study would probably provide more far reaching results as it could comment on the kinds of services that get implemented and see how each of them is implemented in practice.

Another point of interest for future research might be to make a comparison study between business-to-business and business-to-customer companies in their use and management of social media for employer reputation. As mentioned in the Findings – chapter the two case companies (both business-to-business) held relatively similar views about the use of social media while the comparison company in the online

presence review, which was a consumer products company, had adopted a completely different approach.

Finally, it would also be interesting to do a quantitative study on all of the Best Places to Work companies and see how they would respond to questions about social media in recruitment and employer reputation, although, the probability that these questions will be included in the Great Place to Work Institute's annual survey seem quite high. Still, the study could use similar methodology and analysis tools as the one from Wetpaint (2009), which was also quoted in this thesis and thus concentrate also on the companies' depth of engagement in social media and perhaps even scout out some new best practices.

## REFERENCES

- Allen, D. G., van Scotter, J. R., & Otondo, R. F. (2004). Recruitment Communication Media: Impact on prehire outcomes. *Personnel Psychology*, *57*, 143-171.
- Argenti, P. A. (2009). *Corporate Communication* (Fifth, International ed.). New York: McGraw-Hill.
- Ariyur, K., Azpurua-Linares, F., Bekel, J., Cleaver, M., DeChambeau, J., Dunn, T., et al. (2008). *The Wikinomics Playbook - Mass Collaboration in Action*.
- Aula, P. (2011). Meshworked reputation: Publicists' views on the reputational impacts of online communication. *Public Relations Review*, *37*, 28-36.
- Backhaus, K., & Tikoo, S. (2004). Conceptualizing and researching employer branding. *Career Development International*, *9* (5), 501-517.
- Birkman International. (2009). *Human Resources 2.0: How HR Professionals and HR Consultants Use Social Media and Web 2.0 Technologies*. Houston, Texas: Birkman International.
- Boydell, M. (2002, February 11). Internet recruitment helps HR careers. *Canadian HR Reporter: Guide to Recruitment and Staffing*, p. G5.
- Branine, M. (2008). Graduate recruitment and selection in the UK: A study of the recent changes in methods and expectations. *Career Development International*, *13* (6), 497-513.
- Breaugh, J. A., & Starke, M. (2000). Research on Employee Recruitment: So Many Studies, So Many Remaining Questions. *Journal of Management*, *26* (3), 405-434.

- Brown, J., Broderick, A. J., & Lee, N. (2007). Word of mouth communication within online communities: Conceptualizing the online social network. *Journal of Interactive Marketing*, 21 (3), 2-20.
- Bryman, A., & Bell, E. (2003). *Business research methods*. Oxford University Press.
- Bunting, M., & Lipski, R. (2000). Drowned out? Rethinking corporate reputation management for the Internet. *Journal of Communication Management*, 5 (2), 170-178.
- Cable, D. M., & Turban, D. B. (2003). The Value of Organizational Reputation in the Recruitment Context: A Brand-Equity Perspective. *Journal of Applied Social Psychology*, 33 (11), 2244-2266.
- Chartered Institute of Personnel Development. (2008). *Annual Survey Report 2008*. London: Chartered Institute of Personnel Development.
- Davies, G. (2008). Employer branding and its influence on managers. *European Journal of Marketing*, 42 (5/6), 667-681.
- Davies, G., Chun, R., da Silva, R. V., & Roper, S. (2003). *Corporate reputation and competitiveness*. London: Routledge.
- Dickson, D. R., & Nusair, K. (2010). An HR perspective: the global hunt for talent in the digital age. *Worldwide Hospitality and Tourism Themes*, 2 (1), 86-93.
- Edwards, M. R. (2010). An integrative review of employer branding and OB theory. *Personnel Review*, 39 (1), 5-23.
- Emerald. (2010). Coming to terms with a social revolution: New networking – for better or worse – is here to stay. *Strategic Direction*, 26 (7), 10-13.

ExecuNet. (2006, June 12). *Press release: Growing Number Of Job Searches Disrupted By Digital Dirt*. Retrieved March 3, 2011, from ExecuNet web site:

[http://www.execunet.com/m\\_releases\\_content.cfm?id=3349](http://www.execunet.com/m_releases_content.cfm?id=3349)

Eyrich, N., Padman, M. L., & Sweetser, K. D. (2008). PR Practitioners' use of social media tools and communication technology. *Public Relations Review*, *34*, 412-414.

Ferris, G. R., Berkson, H. M., & Harris, M. M. (2002). The recruitment interview process: Persuasion and organization reputation promotion in competitive labor markets. *Human Resource Management Review*, *12*, 359-375.

Fombrun, C. J. (2008). *Reputation: realizing value from the corporate image*. Boston, Massachusetts: Harvard Business Press.

Foster, C., Punjaisri, K., & Cheng, R. (2010). Exploring the relationship between corporate, internal and employer branding. *Journal of Product and Brand Management*, *19* (6), 401-409.

Galanaki, E. (2002). The decision to recruit online: a descriptive study. *Career Development International*, *7* (4), 243-251.

Gilmore, J. H., & Pine, J. B. (2007). *What Consumers Really Want: Authenticity*. Boston, MA: Harvard Business School Press.

Gilpin, D. R., Palazzolo, E. D., & Brody, N. (2010). Socially mediated authenticity. *Journal of Communication Management*, *14* (3), 258-278.

Helm, S. (2010). Employees' awareness of their impact on corporate reputation. *Journal of Business Research*, doi: 10.1016/j.jbusres.2010.09.001 (article in press).

- Helm, S. (2007). One reputation or many? Comparing stakeholders' perceptions of corporate reputation. *Corporate Communications: An International Journal*, 12 (3), 238-254.
- Henderson, A., & Bowley, R. (2010). Authentic dialogue? The role of "friendship" in a social media recruitment campaign. *Journal of Communication*, 14 (3), 237-257.
- Hepburn, S. (2005). Creating a winning employer reputation. *Strategic HR Review*, 4 (4), 20-23.
- Herman, R., & Gioia, J. (2011). *Becoming an Employer of Choice: Offering Meaningful Work*. Retrieved march 31, 2011, from Employer of Choice web site:  
[http://www.employerofchoice.com/article\\_work\\_life\\_meaning.html](http://www.employerofchoice.com/article_work_life_meaning.html)
- Hirsjärvi, S., & Hurme, H. (2010). *Tutkimushaastattelu. Teemahaastattelun teoria ja käytäntö*. Tallinn: Gaudeamus University Press.
- HRM Today. (2011). *HRM Today*. Retrieved April 4, 2011, from HRM Today: The HR Professional Network: <http://www.hrmtoday.com/>
- IBC. (2010, April 30). *About IBC*. Retrieved April 2, 2011, from IBC web site:  
[http://www.hse.fi/EN/education/programs/p\\_16/ibc/introduction/](http://www.hse.fi/EN/education/programs/p_16/ibc/introduction/)
- JobPrize*. (2011). Retrieved November 16, 2011, from JobPrize:  
<http://www.jobprize.com/>
- Kakkuri-Knuutila, M.-L., & Heinlahti, K. (2006). *Mitä on tutkimus? Argumentaatio ja tieteenfilosofia*. Tampere: Gaudeamus.

- Kent, M. L. (2010). Directions in Social Media for Professionals and Scholars. In R. L. Heath, *The SAGE Handbook of Public Relations* (pp. 643-656). Thousand Oaks, California: SAGE Publications Inc.
- Kent, M. L., & Taylor, M. (2002). Toward a dialogic theory of public relations. *Public Relations review*, 28, 21-37.
- Kluemper, D. H., & Rosen, P. A. (2009). Future employment selection methods: Evaluating social networking web sites. *Journal of Managerial Psychology*, 24 (6), 567-580.
- KODA. (2010). *KODA: About us*. Retrieved November 1, 2010, from KODA: <http://koda.us/about>
- Laimoon. (2011). Retrieved November 2011, from Laimoon: <http://jobs.laimoon.com/>
- Lewis, S. (2001). Measuring corporate reputation. *Corporate Communications: An International Journal*, 6 (1), 31-35.
- Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic Inquiry*. Beverly Hills: Sage Publications Ltd.
- LinkedIn. (2010). *About Us*. Retrieved October 31, 2010, from LinkedIn: <http://press.linkedin.com/about>
- Locke, L. F., Silverman, S. J., & Spirduso, W. W. (2004). *Reading and understanding research*. Sage.
- Malita, L., Badescu, I., & Dabu, R. (2010). Culture tips of online job searching. *Procedia - Social and Behavioral Sciences*, 2 (2), 3070-3074.



Martin, G., Beaumont, P., Doig, R., & Pate, J. (2005). Branding: A New Performance Discourse for HR? *European Management Journal* , 23 (1), 76-88.

Maxwell, J. A. (2005). *Qualitative research design: an interactive approach* (Second ed.). Thousand Oaks, California, United States: Sage Publications Inc.

Maykut, P., & Morehouse, R. (1994). *Beginning qualitative research; A philosophical and practical guide*. The Falmer Press.

MedRecruit. (2011). Retrieved November 2011, from MedRecruit:  
<http://www.medrecruit.com/>

Middlemiss, M. (2009). Computer-Mediated Social Networking - An Executive Summary of the Conference and the Future Research Directions. In M. P. Savarimuthu, & M. P. Savarimuthu (Ed.), *LNAI 5322: International Conference on Computer Mediated Social Networking (ICCMSN) 2008* (pp. 186-200). Dunedin: Berlin, Heidelberg: Springer-Verlag.

Money, K., & Gardiner, L. (2005). Reputational management: ignore at your own peril. *Handbook of Business Strategy* , 43-46.

Moreno, A., & Capriotti, P. (2009). Communicating CSR, citizenship and sustainability on the web. *Journal of Communication Management* , 13 (2), 157-175.

Moroko, L., & Uncles, M. D. (2008). Characteristics of successful employer brands. *Brand Management* , 16 (3), 160-175.

Moroko, L., & Uncles, M. D. (2009). Employer branding and market segmentation. *Brand Management* , 17 (3), 181-196.

*My Marriott Hotel*. (2011). Retrieved November 15, 2011, from My Marriott Hotel on Facebook: <https://apps.facebook.com/mymarriotthotel/>

NAS Recruitment Communications. (2010). *Wow them! 9 Career site best practices that target your candidates' changing behaviours*. Cleveland: NAS Recruitment Communications.

Naymz. (2010). *What is Naymz?* Retrieved November 1, 2010, from Naymz web site: <http://www.naymz.com/about.action>

Parker, M. (2008). Q&A: Can social networking sites be recruitment tools? *Strategic HR Review*, 7 (3).

Parry, E., & Wilson, H. (2009). Factors influencing the adoption of online recruitment. *Personnel Review*, 38 (6), 655-673.

*Pepsico Careers*. (2011). Retrieved November 15, 2011, from Pepsico: <http://pepsico.com/Careers/Mobile-Apps.html>

Public Relations Society of America. (2007, July 23). *Press Release: New Technology Tools Have High Acceptance Rate in Public Relations*. Retrieved April 3, 2011, from PRSA - Public Relations Society of America: [http://media.prsa.org/article\\_display.cfm?article\\_id=1091](http://media.prsa.org/article_display.cfm?article_id=1091)

Recruiting Blogs. (2011). *Recruiting Blogs*. Retrieved April 3, 2011, from Recruiting Blogs website: <http://www.recruitingblogs.com/>

Ryan, M. (2003). Public relations and the web: Organizational problems, gender, and institution type. *Public Relations Review*, 29 (3), 335-349.

Shea, K., & Wesley, J. (2006). How social networking sites affect students, career services, and employers. *National Association of Colleges and Employers Journal* , 66 (3), 26-32.

Silverman, D. (2010). *Doing qualitative research* (Third Edition ed.). Sage Publications Ltd.

Smith, K., Gregory, S. R., & Cannon, D. (1996). Becoming an employer of choice: assessing commitment in the hospitality workplace. *International Journal of Contemporary Hospitality Management* , 8 (6), 3-9.

Tapscott, D., & Williams, A. D. (2006). *Wikinomics: How mass collaboration changes everything*. London: Atlantic Books.

Taylor, M., & Kent, M. L. (2010). Anticipatory socialization in the use of social media in public relations: a content analysis of PRSA's Public Relations Tactics. . *Public Relations Review* , 36, 207-214.

Tong, D. Y. (2009). A Study of e-recruitment technology adoption in Malaysia. *Industrial Management & Data Systems* , 109 (2), 281-300.

Torrington, D., Hall, L., & Taylor, S. (2008). *Human Resource Management* (Seventh Edition ed.). Harlow: Pearson Education.

van Birgelen, M. J., Wetzels, M. G., & van Dolen, W. M. (2008). Effectiveness of corporate employment web sites: How content and form influence intentions to apply. *International Journal of Manpower* , 29 (8), 731-751.

van Zyl, A. S. (2009). The Impact of Social Networking 2.0. on organisations. *The Electronic Library* , 27 (6), 906-918.

Wandel, T. L. (2008). Colleges and Universities Want to be Your Friend: Communicating via Online Social Networking. *Planning for Higher Education* , 37 (1), 35-48.

Wetpaint. (2009, July). *The world's most valuable brands. Who's most engaged?* Retrieved May 6, 2010, from Engagementdb:  
[http://www.engagementdb.com/downloads/ENGAGEMENTdb\\_Report\\_2009.pdf](http://www.engagementdb.com/downloads/ENGAGEMENTdb_Report_2009.pdf)

Yeung, R. (2008). *Successful Interviewing and Recruitment*. London: Kogan Page, Limited.

Yin, R. K. (2003). *Applications of case study research* (2nd Edition ed.). Thousand Oaks, California: Sage Publications Inc.

## **APPENDICES**

APPENDIX 1: FINLAND'S BEST PLACES TO WORK, 2010.....	101
APPENDIX 2: INTERVIEW THEMES.....	103

## Appendix 1: Finland's Best Places to Work, 2010

---

Järjestys	Organisaatiot
<i>Yleinen sarja</i>	
1	Reaktor
2	Futurice Oy
3	Pipelife Finland Oy
4	Management Events
5	Microsoft Oy
6	Fondia Oy
7	Novia Finland Oy
8	Mars Finland Oy
9	Oulun Työterveys
10	FIM
11	Enfo Oyj
12	Affecto Finland Oy
13	3 Step IT Oy
14	Solita Oy
15	Newsec
16	Scandinavian Marketing Gainer
17	SBS Finland Oy
18	Mandatum Life
19	SAS Insitute Oy
20	Bonnier Publications Oy
21	Vahanen-yhtiöt
22	Mepco Oy
23	Descom Oy
24	Clas Ohlson
25	Kauppalehti Oy
26	OK Perintä Oy
27	Kehitysvammaliitto ry
28	Boehringer Ingelheim Finland Ky
29	Sininen Meteoriitti Oy
30	Novartis Finland Oy

---

***Suurten organisaatioiden sarja***

1	IKEA
2	Keskinäinen Eläkevakuutusyhtiö Ilmarinen
3	Diacor terveystalvelut Oy
4	Fujitsu Services Oy
5	Yliopiston Apteekki

***Pienten organisaatioiden sarja***

1	Tutoris Oy
2	Bitwise Oy
3	SICK Oy
4	Rauhala Yhtiöt Oy
5	Borenius & Co Oy
6	Frami Oy
7	Vincit Oy
8	ComIQ
9	Eximia Business Intelligence Oy
10	Fudeco Oy
11	HRM Partners
12	Saanio & Riekkola Oy
13	Cerion
14	Finn-ID
15	WWF Suomi

## **Appendix 2: Interview themes**

### **Set 1: Employer reputation**

- How do you see values, people policies, culture and/or corporate reputation as part of your employer reputation? Or are they?
- Who are involved in managing / communicating your employer reputation?
- Do you have an employer reputation management strategy? Can you describe it?
- How is it applied in various stages of employee and recruitment communications?
- Is the strategy mainly internal or actively communicated outside of the company?
- Do you consider employer reputation to be more an internal or external issue and why?
- What channels have turned out to be most effective and why?
- Have you utilised employer branding campaigns and in what way?

### **Set 2: Social media and employer reputation**

- Which social media are you present in and how long have you been there?
- Who is responsible for the social media function or is it even considered separate from marketing?
  - If yes, are other employees encouraged to utilise social media?
- How is the company's presence in social media structured, i.e. official guidelines?
- Do you use social media measurement tools and if yes, can you describe them?
- What are the most important social media services for the company and why?
- Do you see social media more as an internal and/or external communications tool?
- Do you use social media in communicating about the various parts of employer reputation? (values, people policies, culture and corporate reputation)
  - If yes, how?
  - If no, why?
- Is social media used by the HR department in e.g. recruiting? If yes, how?
- If yes, have they, in your opinion, had an effect one way or another?  
E.g. quality of applicants, employee retention, etc.
- Some say that social media and reputation cannot be managed – how have you experienced this combination?