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Quoc Trung Pham

Ho Chi Minh City University of Technology (VNU-HCM), pqtrung@hcmut.edu.vn

Duy Anh Vo

Ho Chi Minh City University of Technology (VNU-HCM), 1410143@hcmut.edu.vn

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## Impact of Employer Value Proposition and Social Media Use on the Intention to Apply for a Job in the IT Industry of Vietnam

### Cover Page Footnote

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## **Impact of Employer Value Proposition and Social Media Use on the Intention to Apply for a Job in the IT Industry of Vietnam**

Quoc Trung Pham\* and Duy Anh Vo

School of Industrial Management, Ho Chi Minh City University of Technology,  
Ho Chi Minh City, Vietnam

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### **Abstract**

**Research Aims:** Human resources are critical for success in the digital economy. However, IT human resources are predicted to be scarce and attracting IT talent is difficult for many enterprises. Currently, employer branding and social media advertising are possible solutions to these problems. This research aims to evaluate the influence of EVP and social media use on the intention to apply for an IT job.

**Design/Methodology/Approach:** The quantitative research method is used to verify the research model. The sample includes 240 valid respondents from HCMC, Vietnam. The research model includes six independent variables (5 values of EVP and social media use) affecting the intention to apply for a job through organisational reputation. Some analysis methods used include Descriptive Statistics, Cronbach's Alpha, EFA, Multiple Regression, and Bootstrap Analysis.

**Research Findings:** The results show that 4/5 of the values (except management value) and social media use have positive impacts on reputation and, in turn, on the intention to apply for a job.

**Theoretical Contribution/Originality:** This research clarifies the role of employer branding and social media use in attracting talent to the Vietnamese IT industry. The mediating role of organisational reputation is also confirmed using the bootstrapping method.

**Managerial Implication in the South East Asian Context:** Based on the results, some recommendations have been made to improve the attractiveness of the IT industry in Vietnam and the ASEAN context.

**Research Limitations & Implications:** Limitations of the study include the small sample size and lack of other aspects of employer branding. So, increasing the sample size and adding some other factors could be implications for future research directions.

**Keywords:** employer branding, social media, value proposition, IT industry, Vietnam

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## INTRODUCTION

Today, employer branding is valuable and necessary for any organisation to create desire in candidates' minds, attracting them to apply for a job at the employer's company if they have the opportunity. A good employer brand is not only helpful in attracting new candidates but also useful for improving the engagement of internal employees (Agarwal et al., 2021). However, there is a lack of research on connecting employer branding activities (such as employer value proposition (EVP) marketing) and applicant attitudes (Theurer et al., 2018).

The development of online social media platforms (Facebook, Instagram, LinkedIn, Youtube, etc.) has made social media a strategic tool for recruiting due to characteristics including the ability to become viral in the short term, time and cost savings, and ease of communication with candidates (Vietnamworks, 2014). Social media has also become one of the most important means for building a brand community. However, according to Vietnamworks, a popular website for recruiting and finding a job in Vietnam, 79% of Vietnamese entrepreneurs were short of human capital in the first six months of 2019. The figure is much higher for smaller businesses, accounting for 87% of those with 500–1000 employees. As a result, there is substantial competition for talent.

The IT industry has enjoyed strong growth in recent years. The demand for recruitment has rocketed from 12,550 jobs to 62,826 jobs (an increase of 56%) due to the Industry 4.0 era with the appearance and development of foreign investment and new IT start-up companies; the growth of Fintech, which includes Artificial Intelligence (AI) technology, Data Science, Big Data and Cyber Security; and the trend of Digital Transformation (Truong, 2019). In this context, the Vietnamese IT industry faces a shortage of IT labour force. However, the supply of IT employee resources is limited. Vietnam has 153 universities with an IT education program, and 50,000 learners graduate each year, but only 30% of them can adapt to the requirements to begin working immediately. As a result, about 350,000 IT positions need to be filled, and the deficiency of the labour force amounts to about 70,000-90,000 people. Numerous foreign IT companies come to Vietnam to invest and outsource because of the Vietnamese market's benefits. Therefore, the requirement for IT recruitment in the Vietnam market is increasing daily due to not only the domestic enterprises but also the external organisations.

Overall, the development of social media and the increase in the number of users bring numerous benefits and drawbacks for employers and recruiters. Facing the huge loss of talent for the economy in general and the labour force shortage in the IT industry in particular, the “war” for talent becomes more intense day by day, and it will be a difficult problem for the recruiters of

every IT organisation to solve (Pham, 2017). Consequently, it is vital to identify and understand the factors that affect the intention to choose an IT job through social media for potential employees of Vietnamese organisations.

Moreover, the impact of employer value proposition (EVP, encompassing social value, interest value, application value, development value, economic value, management value, and work/life balance) and social media use (communication) on the intention to apply for a job in the IT industry has not been quantitatively evaluated (Dabirian et al., 2019). In particular, there is a lack of research on this topic in the IT industry of developing countries like Vietnam (Ha & Luan, 2018), so it is necessary to do more research and to find solutions for attracting human resources to the IT industry in Vietnam.

The results of such research could help determine the impact of employer branding and the use of social media on the choice of potential employees, which is very important for IT companies to develop their brand awareness and value propositions. In the strong competition in the IT industry to recruit the best people, this research may have practical significance.

Specific objectives of this research are as follows: (1) to measure the impact of employer branding and the use of social media on the intention to apply for a job, and (2) to offer recommendations for improving the brand image of IT enterprises in Vietnam. The remainder of this paper is organised as follows: Section 2 presents the literature review; Section 3 proposes the research methods; Section 4 reports the analysis results and discussion; Section 5 presents the managerial implications in the South East Asia context; Section 6 summarises the theoretical contribution; and, finally, Section 7 presents the conclusions and limitations.

## **LITERATURE REVIEW**

### ***Social media***

Social media are virtual social spaces that users can access through any Internet-based device. Social media allow individuals in these virtual communities to share, create, discuss and exchange user-generated content (Dabirian et al., 2019). Social media thus constitutes a powerful tool for marketing and advertising, as well as a platform for social commerce.

### ***Social media recruitment***

In social media recruitment, recruiters use social media to communicate with talent and attract them to apply for an existing job position (Henderson & Bowley, 2010). Facebook, which is a free social network, is one of the most popular platforms for social commerce in the world.

However, LinkedIn, a professional social media platform focusing on recruiting activity, could be considered a good environment for building an organisational brand and recruiting potential candidates.

### ***Employer brand & employer branding***

An employer brand is defined as the set of functionalities and economic and psychological benefits offered by an employer and identified with the employing company (Ambler & Barrow, 1996). According to Minchington (2010), the employer brand is the image of the organisation as a “great working place” in the mind of all stakeholders. Employer value proposition (EVP) is correlated with the employer brand. EVP refers to the benefits provided by the organisation for attracting potential candidates. Some characteristics of EVP include uniqueness, relevance, and intensity. EVP is considered the key element to attracting talent and improving employee engagement and retention (Minchington, 2010). In previous research (Berthon et al., 2005), EVP has been considered a measure of employer attractiveness.

According to Backhaus and Tikoo (2004), employer branding is grounded in the resource-based view and human resource theory, and it aims at creating a unique and desirable image for the employer to differentiate it from its competitors. Employer branding is the process of constructing an employer identity aimed at internal and potential employees, to set the employer apart from others (Sivertzen, 2013). Based on the employer branding value chain model of Theurer et al. (2018), employer branding may have an impact on potential applicants’ mindset about the employer brand, which may lead to their intention to apply and thus contribute to the firm’s performance and competitiveness. This research follows the employer branding theory of Dabirian et al. (2019), wherein employer branding can be used effectively to attract talent and to create a competitive advantage for IT companies.

### ***Recruiting activities of IT industry in Vietnam***

A human resource report from resources.base.vn in 2018 provided data about more than 14 prestigious websites for recruitment in Vietnam. At the top of the list, VietnamWorks had 4.5 million active users per month. Other listed websites included CareerBuilder, Jobstreet, Vieclam-24h, Tim-viec-nhanh, Ybox.vn, Mywork, CareerLink, TopCV, Itviec, TopDev, and Internship.edu.vn. These websites are not considered social media platforms, but social media users can access these websites through advertising on social media platforms.

In 2018, the Vietnamese Central Statistical Office reported that the number of Vietnamese people aged above 15 years old was approximately 54 million. In the first quarter of 2019, this number increased by more than 300,000. The unemployment in the same period was low, at 2.17%, representing a decrease of 0.03% compared to 2018 (Truong, 2019).

On the other hand, the need for online recruitment in Vietnam increased by 11% compared to 2017 (Vietnamworks, 2019), while the online human resource supply rose only 5%, indicating the potential for increased rivalry in the Vietnamese online recruitment market. As a result, in the first 6 months of 2019, 79% of enterprises did not have enough employees.

In the IT industry, based on an annual report from TopDeveloper.vn (Truong, 2019), 52.2% of IT employees were 20–29 years old, and 53% of IT employees had less than 3 years experience. Moreover, 75.2% of developers care about compensation packages when applying for a job. In addition, the recruiting requirement in the IT industry increased 56% from 2015 to 2019.

### ***Related research***

Some related studies are summarised in the following table.

Table 1. Summary of related studies

Authors	Title	Summary
Purusottama and Ardianto (2019)	The Dimension of Employer Branding: Attracting Talented Employees	This research aims to explain the factors that affect the intention of applying for a job in Indonesia. The intangible elements in Employer Branding's structure include Working Environment, Compensation and Benefit, Corporation Reputation, Corporation Vision and Leadership, Corporate Social and Environmental Responsibility. The results show that Vision and Leadership have the most significant impact on applying for a job.
Sivertzen, Nilsen, and Olafsen (2013)	Employer Branding: Employer Attractiveness and the Use of Social Media	This research aims to learn about the elements of employer attractiveness and the relationship between the utility of social networks and corporate fame and the intention to apply for a job. Based on a survey with 366 Norwegian respondents in engineering enterprises, the results confirm the influence of three types of values (Development, Interest, and Application value) and the use of social media on the corporate reputation and on the intention to apply for a job.
Rampl (2014)	How to Become an Employer of Choice: Transforming Employer Brand Associations into Employer First-choice brands	Using the previous research model, this research aims to prove the relation between the employer brand attractiveness and employer brand emotions, as well as to identify the link between employer brand emotions and employer first-choice brand. There were six elements of employer brand attractiveness: salary, advancement, location, reputation, work content, and work culture. As a result, the work content and work culture were the two remarkable influences of the first-choice employer brand.

Table 1. Summary of related studies (Continued)

Authors	Title	Summary
Dabirian, Paschen, and Kietzmann (2019)	Employer Branding: Understanding Employer Attractiveness of IT Companies	This research aims to provide suggestions to attract talent, engage the internal employees and create competitive advantages for IT companies through measuring the effect of eight value propositions of the employer brand. The survey was taken with approximately 15,000 respondents working at IT firms. Praise is confirmed to be the most important value for talent attraction, and four other important elements were identified: Social Value, Economic Value, Interest Value and Brand Image.
Gregorka et al. (2020)	Employer Branding Practices Amongst the Most Attractive Employers of IT and Engineering Sector	This study characterises the employer branding implementation and the employer's perspective on it. By conducting ten semi-structured, in-depth interviews, the authors examine how employer branding practices have been applied and used in practice. The results suggest that some stages of branding can be identified as general. Furthermore, practical insights are provided about the company's roles and the relationship with the current state of art.

### **Research model**

After analysing the previous studies, the research model of Sivertzen et al. (2013) was selected for use in this research because it emphasised both employer attractiveness and the employer's use of social media as determinants of organisational reputation, which impact the intention to apply for a job. However, the results of previous studies are not consistent, especially for various industries (Theurer et al., 2018). Therefore, it is necessary to conduct such a study in the context of the IT industry in Vietnam.

Employer attractiveness in Sivertzen et al. (2013) has been measured using the EmpAt scale, which was developed by Berthon et al. (2005) and can be grouped into five dimensions: interest value, social value, economic value, development value, and application value. However, these scales need to be revised to be more suitable for the IT industry. According to Dabirian et al. (2019), there are eight EVPs in the IT industry, including social value, interest value, application value, development value, economic value, management value, work/life balance, and brand image. Of these, brand image is similar to the organisation's reputation, so it is excluded from the list of EVPs for this study.

Differing from the previous studies, in the IT industry context, a candidate's long-term viewpoint should be considered when searching for information about IT companies through various job-related social media. According to qualitative research, it is difficult for a candidate to find information related to the internal business environment (work/life balance, application value). Thus, there are only five aspects of EVPs to be considered in the proposed research



model, including social value, interest value, development value, economic value, and management value.

In summary, based on the original framework of Sivertzen et al. (2013), with consideration of other EVPs of the IT industry suggested by Dabirian et al. (2019), a proposed research model can be established. Independent factors include social value, interest value, economic value, development value, management value, and social media use. The mediating factor is the organisation's reputation, and the dependent factor is the intention to apply for a job. The proposed research model is summarised in the following figure.

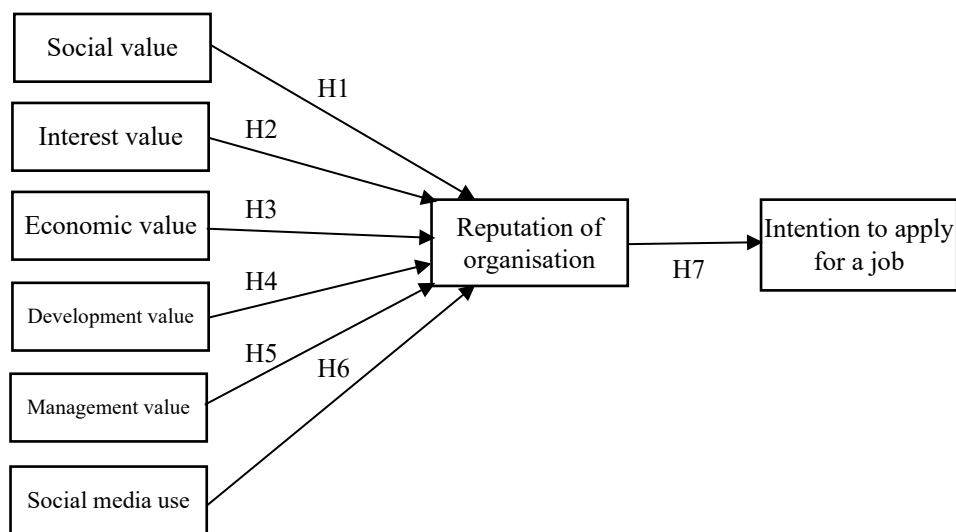


Figure 1. The proposed research model

Some definitions of the key concepts of the research model are summarised as follows:

- a. Social value: the satisfaction of employees with social relationships when working in this company (e.g., working environment, relationships, co-workers) (Dabirian et al., 2019).
- b. Interest value: the interest in the job, including whether it is challenging or accomplishable and whether it welcomes innovative and creative ideas (Dabirian et al., 2019).
- c. Economic value: the consideration of the benefits when working in this company, such as the compensation package and medical care (Dabirian et al., 2019).
- d. Development value: the types of career opportunities available, such as learning opportunities, promotion chances, professional development (Dabirian et al., 2019).
- e. Management value: the qualities of the managerial system, such as good policies, strong leadership and competencies (Dabirian et al., 2019).
- f. Social media use: the effective use of social media as a communication channel for advertising, sharing, and connecting with applicants (Sivertzen et al., 2013).
- g. Organisational reputation: the brand image or good information about the organisational brand in terms of social perception (Rampl, 2014).

- h. Intention to apply for a job: the intention of an applicant to apply for a job immediately or recommend that others apply if there is a vacancy (Sivertzen et al., 2013).

### ***Hypotheses***

Relationship marketing is formed by trust, teamwork, fairness, networking and recognition. In which employer branding is the “nucleus” for establishing the base of an employee-oriented enterprise with a positive reputation from the inside out (Küçükkancabaş et al., 2009; Martin et al., 2011). Also, there is a positive relation between EVPs and the firm’s social performance (Turban & Greening, 1997). Thus, employer attractiveness has a strong relationship with corporate reputation. According to Berthon et al. (2005), employer attractiveness can be measured by five main aspects of EVPs (social, interest, economic, development, and application value). According to Sivertzen et al. (2013), social value, interest value, economic value, and development value have positive impacts on corporate reputation. Moreover, Dabirian et al. (2019) showed that the management value of an IT enterprise has a relationship with the organisational reputation. Therefore, the following hypotheses can be stated:

- H1. Social value has a positive impact on the reputation of the IT organisation.
- H2. Interest value has a positive impact on the reputation of the IT organisation.
- H3. Economic value has a positive impact on the reputation of the IT organisation.
- H4. Development value has a positive impact on the reputation of the IT organisation.
- H5. Management value has a positive impact on the reputation of the IT organisation.

Social media has become a strategic tool for marketing and recruiting for many companies. Social media can cause either damage or improve the reputation of an enterprise (Sivertzen et al., 2013). Also, based on a study by Collins (2007), job ads on social media can help to improve the impression of an organisation by making available positions easier to find. Social media can be effective in approaching and attracting potential employees through e-WOM (Davison et al., 2011; Pham & Huynh, 2017), making them aware of the organisation’s activities, industry, available jobs, and so on. Dijkmans et al. (2014) showed a positive impact of social media use and the reputation of the organisation. Therefore, hypothesis 6 can be stated as follows:

- H6. Social media use has a positive impact on the reputation of the IT organisation.

A good organisational reputation brings several benefits to the organisation and leads candidates to apply for available positions. Therefore, the intention to apply for a job depends on organisational reputation and employer brand message (Sutherland et al., 2002; Theurer et al., 2018). Sivertzen (2013) found a positive relationship between corporate reputation and the

intention to apply for a job. According to Edwards (2010), the probability of talented candidates applying for a job increases when an organisation has a good reputation. Therefore, hypothesis 7 can be stated as follows:

H7. The reputation of the IT organisation has a positive impact on the intention to apply for a job.

Moreover, EVPs and social media use can have an indirect impact on the intention to apply for an IT job through the mediating role of organisational reputation. Based on Sivertzen (2013), some EVPs have an indirect impact on the intention to apply for a job. Therefore, hypothesis 8 can be stated as follows:

H8. The mediating role of organisational reputation on the relationship of independent variables and the intention to apply for a job is indirect and positive.

## **RESEARCH METHOD**

The research process included 5 stages as follows:

- a. Stage 1: The problem was identified and determined.
- b. Stage 2: The relevant literature, related concepts, and previous research were reviewed. Then, the research model was established, and measurement scales were built. The original scales were based on Sivertzen et al. (2013), Collins (2007), Bellou et al. (2015), Rampl (2014), and Alnýačýk et al. (2014).
- c. Stage 3: A qualitative interview was implemented to adjust the conceptual model according to Vietnam's IT industry. Based on the feedback, a formal questionnaire could be developed (see appendix A and appendix B).
- d. Stage 4: A quantitative study was conducted to collect data by running surveys and analysing them using the SPSS software. Due to the difficulties associated with the Covid-19 pandemic, the sample was collected using the convenience sampling method through both online and offline modes. The sample size is intended to be > 200 (5 times of original scales) for use with reliability testing (Hair et al., 2014). Some analysis techniques used include Descriptive statistics, Cronbach's Alpha, Exploratory Factor Analysis, Multiple Regression, and Bootstrap Analysis.
- e. Stage 5: Analysis results were discussed, and managerial implications were suggested.

## RESULTS AND DISCUSSIONS

### *Descriptive statistics of sample*

The final questionnaire was distributed at various universities in Ho Chi Minh City (Vietnam) and also shared online through social media, including LinkedIn and IT communities on Facebook, during the period from the 1<sup>st</sup> to the 31<sup>st</sup> of May, 2021. There were 155 valid responses collected through the offline mode and 85 valid responses collected through the online mode, resulting in a total of 240 valid samples to be used for the analysis.

Of the 240 valid samples (Table 2), 76.3% of the respondents are male. This figure is approximately the same as that of TopDev's report in 2019. The gender gap is significant because the IT industry is heavily male-dominated. Regarding the age of respondents, most (52.1%) were 22 to 25 years old, while several (19.6%) were under 22 years old. Regarding the respondents' income, 43.3% of respondents have a range of income below 10 million VND, while 37.9% fall in the range from 10 million to 20 million VND.

Table 2. Descriptive statistics of sample

		Frequency	Percent	Cumulative %
Gender	Female	57	23.7	23.7
	Male	183	76.3	100.0
Age	< 22 years old	47	19.6	19.6
	From 22 to 25	125	52.0	71.6
	From 25 to 28	34	14.2	85.8
	> 28 years old	34	14.2	100.0
Income	Under 10m	104	43.3	43.3
	From 10m to 20m	91	37.9	81.2
	From 20m to 30m	31	12.9	94.1
	More than 30m	14	5.9	100.0
Experience	0-3 years	153	63.7	63.7
	3-6 years	57	23.8	87.5
	6-10 years	6	2.5	90.0
	More than 10 years	24	10.0	100.0
Occupation	Employee	122	50.8	50.8
	Student	107	44.6	95.4
	Other	11	4.6	100.0
Academic Level	High School	2	.8	.8
	Junior College	12	5.0	5.8
	University	204	85.0	90.8
	Postgraduate	16	6.7	97.5
Major	Others	6	2.5	100.0
	Business Administration	45	18.8	18.8
	Electronics Engineering	12	5.0	23.8
	Information Technology	176	73.3	97.1
	Production System	1	.4	97.5
	Other	6	2.5	100.0

Table 2. Descriptive statistics of sample (Continued)

		Frequency	Percent	Cumulative %
Educational Institution	Bach Khoa University	113	47.1	47.1
	FPT University	9	3.8	50.8
	University of Economics	17	7.1	57.9
	University of Information Technology	17	7.1	65.0
	University of Science	31	12.9	77.9
	Other	53	22.1	100.0
Favourite IT Brand	Bocasay	3	1.3	1.3
	FPT	10	4.2	5.4
	Grab	47	19.6	25.0
	KMS Technology	22	9.2	34.2
	NFQ Asia	10	4.2	38.3
	VNG	49	20.4	58.7
	Others	99	41.3	100.0

Regarding the respondents' experience, 63.7% of respondents have 0-3 years of experience, while 23.8% have 3-6 years of experience. Regarding occupation, there is a small difference between the percentage of employees and students, as 122 respondents are employed, and 107 respondents are students. Regarding academic level, most (85%) of the respondents' have a university-level education. This percentage is representative of the IT industry, where most employees have earned a bachelor's degree or higher. Most (73.3%) of the respondents have an Information Technology major, while several others have a Business Administration major. Most of the respondents are from Bach Khoa University (47.1%). Regarding their favourite IT brand, most chose "other" (41.3%), while VNG and Grab took the 2<sup>nd</sup> and the 3<sup>rd</sup> positions (20.4% and 19.6%, respectively).

### ***Reliability test using Cronbach's Alpha***

Cronbach's Alpha of the component scales is shown in the following tables. All coefficients are satisfied ( $>0.6$ ), and item-total correlation  $> 0.3$ . Thus, all variables are reliable and can be used for further analysis (Hair et al., 2014).

Table 3. Summarised results of Cronbach's Alpha analysis

Variables	Cronbach's Alpha	Corrected Item-Total Correlation	Cronbach's Alpha when Item Eliminated
Social value	0.884	0.663 – 0.770	0.850 – 0.872
Interest value	0.828	0.652 – 0.767	0.685 – 0.805
Economic value	0.811	0.546 – 0.730	0.714 – 0.809
Development value	0.749	0.456 – 0.683	0.608 – 0.737
Management value	0.666	0.507 – 0.507	
Social media use	0.848	0.554 – 0.699	0.804 – 0.843
Reputation of org.	0.820	0.579 – 0.747	0.733 – 0.804
Intention to apply for a job	0.824	0.616 – 0.699	0.756 – 0.792

### ***Exploratory Factor Analysis (EFA)***

After analysing the scale's reliability, the first step of EFA is to conduct factor analysis based on 23 observed independent variables. The results show that the KMO coefficient is 0.767 ( $> 0.5$ ), Bartlett's value is 2360.589, and the significant level (Sig) is 0.000 ( $< 0.05$ ), which means the indicators of the same factor are closely associated. The total variance explained is 67.051%  $> 50\%$ , which can explain 66.467% of the variation in the data set by six factors. Moreover, the Eigenvalue is 1.280, which is higher than 1 and thus meets the factor analysis criterion (Hair et al., 2014).

As can be seen in the EFA results, observed variables satisfy the following conditions: (1) Convergence values: observed variables are assembled with factor-loading factors that are in the same column, in the same scale as the proposed scale; (2) Distinguished value: there are no observed variables that have factor loading  $> 0.5$  in two different columns, so the observed variables have differentiated values; and (3) All of the observed variables have factor loading  $> 0.5$ , which indicates that that observed variables have practical significance and can be used in the regression model to test the proposed hypotheses (Hair et al., 2014).

Similarly, EFA can be run for mediating variables and dependent variables. According to the results, the coefficient of KMO is 0.780, which is higher than 0.5, and Bartlett's test result is valued at 356.714 with a significance level of 0.000 ( $< 0.05$ ), so this analysis is appropriate for further analysis. The results can be summarised as follows: the eigenvalue value is 2.631 ( $> 1$ ), and the total variance is 65.772% ( $> 50\%$ ). Thus, the observed variables meet the convergence value requirement, and all the loading factors are higher than 0.5.

### ***Correlation and Regression Analysis***

Based on the results regarding EFA, there are eight representative factors formed from the mean of the observed variables that can be used for correlation analysis and regression analysis.

*Correlation analysis:* According to Hair et al. (2014), the Pearson correlation coefficient is considered significant when the sig value  $\leq 0.05$ . The result of this analysis shows that five independent variables have positive correlation coefficients with the Reputation of organisation at a significance value of  $< 0.05$ . Thus, these variables have a positive correlation and are appropriate for the regression analysis. However, the independent variable Management value does not correlate with the dependent variable, so this variable is eliminated from the regression model. According to the results, the correlation of all the independent variables (except Management value) and the Reputation of organisation are significant ( $< 0.05$ ), and the

correlation between the Reputation of organisation and Intention to apply for a job is statistically significant. Thus, these variables can be used for the regression analysis.

*Regression analysis:* The first model's objective is to determine the weight of each factor affecting the reputation of the organisation. The result is shown below following the regression analysis between the dependent variable RO and independent variables Social value, Interest value, Economic value, Development value, and Social media use. According to the regression model summary, the adjusted  $R^2$  coefficient is 0.671, which means independent factors in the model explained 67.1% of the variation of the dependent factor Reputation of the Organisation. Regarding the ANOVA result, the F test's significance value equals 0.000 ( $< 0.05$ ), so the regression model is suitably constructed in general.

According to the results, all the significance values are smaller than 0.05, so all the independent variables are meaningful to the model. Also, all variables' VIF values are lower than 2, which means there is no multicollinearity problem. Based on the results of multiple linear regression, factors affecting Reputation of Organisation are expressed in the regression equation as follows:  
**Reputation-of-org. = 0.409 \* Social-value + 0.228 \* Interest-value + 0.224 \* Economic-value + 0.343 \* Development-value + 0.186 \* Social-media-use**

The second model's objective is to determine the weight of the Reputation of Organisation factor affecting the Intention to apply for a job. Following regression analysis between Reputation of organisation and the dependent variable Intention to apply for a job, the result shows that the adjusted  $R^2$  coefficient is 0.536, which means independent factors in the model explained 53.6% of the variation of the dependent factor. Regarding the ANOVA result, the F test's significant value equals 0.000 ( $< 0.05$ ), so the regression model is suitably constructed in general.

Based on the analysis results, all the significant values are smaller than 0.05, so all the independent variables are meaningful to the model. Also, all variables' VIF values are lower than 2, which means no multicollinearity problem occurred. Based on the results of correlation and linear regression, the effect of the Reputation of Organisation factor on Intention to apply for a job is expressed in the regression equation as follows: **Intention-to-apply-for-a-job = 0.734\* Reputation-of-org.**

*Testing hypotheses of the model:* The results of hypothesis testing show that the relationship between independent and dependent variables is meaningful at the 95% confidence level (except H5).

Table 4. Results of hypothesis testing

Hypothesis	Beta	Sig.	Results
H1 Social value => Reputation	.409	.000	Accept
H2 Interest value => Reputation	.228	.000	Accept
H3 Economic value => Reputation	.224	.000	Accept
H4 Development value => Reputation	.343	.000	Accept
H5 Management value => Reputation		.291	Reject
H6 Social media use => Reputation	.186	.000	Accept
H7 Reputation => Intention to apply for a job	.734	.000	Accept

*Testing the mediating role of organisational reputation using bootstrap analysis:* To test the mediating role of organisational reputation between independent variables and the intention to apply for a job, bootstrap analysis is used. The results of the bootstrap analysis (at 5000 times, confidence level 95%) are summarised in the following table.

Table 5. Results of bootstrap analysis on the mediating role of reputation

Variables	Indirect effect	BootSE	BootLLCI	BootULCL	Results
Social media use	0.2424	0.0487	0.1480	0.3380	Yes
Social value	0.3891	0.0498	0.2902	0.4856	Yes
Interest value	0.3912	0.0510	0.2946	0.4942	Yes
Economic value	0.2873	0.0510	0.1868	0.3889	Yes
Development value	0.3323	0.0463	0.2390	0.4222	Yes
Management value	0.0504	0.0454	-0.0381	0.1385	No

Based on the above results, organisational reputation is confirmed to have a mediating role between the independent variables (except management value) and the dependent variable (intention to apply for a job). Therefore, hypothesis H8 is confirmed.

### Discussions

According to the results of the regression analysis, five factors are confirmed to directly affect the reputation of an IT organisation, including social value, interest value, economic value, development value, and social media use. Then, the reputation of an IT organisation directly impacts the intention to apply for a job (beta=0.734), which confirms the strong effect of reputation on candidates' choice in the IT industry.

Moreover, organisational reputation is found to play a mediating role and strengthen the impact of EVPs and social media use on the intention to apply for a job in the IT industry. This result is different from the previous study by Sivertzen et al. (2013), in which most of these independent variables seem to have no significant indirect effects on the intention to apply for a job through reputation. The difference could be explained in the context of the two studies—the previous one in the Norwegian engineering industry and this one in the Vietnamese IT industry. Because of the technology orientation of IT companies, social media use and EVP marketing are found to have significant indirect effects on a firm's reputation on the intention of applicants to apply.



Based on the regression coefficient, social value has the most significant impact on IT organisations' reputation, while social media has the lowest impact ( $\beta=0.409$  and  $\beta=0.186$ , respectively). Development value has a direct effect on the reputation of an IT organisation with a coefficient of 0.343. Moreover, interest value has a coefficient of 0.228, and economic value has a coefficient of 0.224. Therefore, EVPs seem to be more important than social media in building the reputation of an IT organisation.

The use of social media has a direct effect on the reputation of the organisation. Thus, IT companies should take advantage of professional social media to build up their brand, share their internal values, and attract more talent. In addition, using social media skillfully will help IT companies advertise their EVPs, which in turn will indirectly influence these IT organisations' reputations (Davison et al., 2011; Pham & Huynh, 2017).

Compared to the research of Sivertzen et al. (2013), who identified the strongest impact factors as development value, interest value, and application value, the three strongest impact factors identified in this research were social value, development value, and interest value. Development value and interest value are confirmed to have a positive impact on the organisation's reputation in both studies. Application value is not evaluated in this research because it is difficult to assess for a candidate. Based on the interview results, application value is not considered important in the context of the IT industry.

Unlike the results of Sivertzen et al. (2013), in this research, social value is the strongest determinant of the organisation's reputation. This could be explained by the differences between the two cultures under study (European and Asian) and between the developmental levels of the two countries. In Vietnam, a representative of Asian culture, social value is an outstanding feature of an IT job. Based on the survey data, Grab and VNG are the two IT brands that respondents chose as their favourite brands. Recently, Grab and VNG used the office image, the working space, and the facility at the company to attract candidates. The main point is that these qualities of social value touch the heart of applicants. According to the in-depth interviews, most IT employees' basic requirement is a creative working space where they can focus on their tasks and projects. Furthermore, several institutions are sharing their images of a good working environment and posting cultural stories on social media to attract talents. Therefore, effectively utilising social media to share images and video is one way to improve the employer's brand strategy.

Economic value refers to the compensation and benefits package. During the in-depth interviews, all the respondents mentioned economic value as their top priority. However, not

every employer provides salary information but instead simply defines the range of income as “negotiable.” Moreover, for a particular position, each person’s salary may differ based on how much they request in the interview, and the employees in the company must not share their salary with others. On the other hand, benefits are among the key factors that affect job choice and company loyalty for an IT-oriented candidate. These benefits include insurance, day-off policies, and work-from-home policies (especially during the Covid-19 period). Consequently, employers can focus on their benefits package to improve their employer branding strategy.

Social media use has numerous benefits and offers cost savings to recruiters. However, the feedback and review of a company are mostly provided by Internet users, and the enterprise cannot control this interaction. Talentbrand (2020) showed that employers often use Facebook and LinkedIn to advertise job vacancies and job listings. However, this approach often does not bring many contributions to the employer brand strategy. Instead, using social networks to communicate with candidates and share valuable content is more natural for the online community. As an example, Microsoft uses Twitter to share videos about their employees and working culture.

According to the analysis results, management value has no significant impact on organisational reputation, in contrast to the study of Dabirian et al. (2019). The reason for this could be related to respondents’ difficulty evaluating the manager and management system of an IT company, especially if they have not worked for the company before, since information about the management system of a company is not shared widely through any communication channel. Moreover, based on the qualitative study, management value is not assumed to be an important factor in the context of the IT industry (appendix A).

## **MANAGERIAL IMPLICATIONS IN THE SOUTH EAST ASIAN CONTEXT**

Based on the results, some recommendations can be offered for IT companies in Vietnam as well as in the South East Asian countries in general to increase their organisational reputation and to attract good candidates through EVP marketing and social media use. Designing and communicating their EVPs to their potential candidates, especially focusing on social value (good working environment), development value (long-term career path), interest value (challenged job features), and economic value (high salary, competitive benefits package). IT companies should pay more attention to their social value and development value because of their strong impacts on the firm reputation. Applying and utilising career-oriented social media, such as Facebook or LinkedIn, to advertise their values or job vacancies and to contact various groups of users for

supporting recruiting activities. In addition to building a brand image, IT enterprises should increase their interaction with the online community and broaden their connection to other countries in the world, especially the ASEAN community. Finally, paying more attention to improving current employees' satisfaction through corporate social responsibility and ethical value concerns related to building a good reputation, especially for multinational organisations (Ibrahim, 2016). A good organisational reputation is a sure way for the IT company to attract talents. Some best practices include protecting the environment, creating good conditions for employees, supporting social projects, and sharing good stories or comments of customers and employees through social media.

For IT companies in the South East Asian countries, EVPs should be developed and shared through regionally popular social media, such as Facebook, LinkedIn, Twitter, WeChat, and Line. In the development of the ASEAN economic community, IT human resources could be shared between countries in the region. Therefore, increasing the use of social media with English support will help to develop social capital and to connect with and attract IT talents (Pham & Huynh, 2017). Combining traditional marketing and social media marketing can be a good way to build reputation, increase the awareness of applicants about a company's EVPs, and turn a brand name into a brand of choice.

## **THEORETICAL IMPLICATIONS**

This research clarifies the role of EVPs and social media use in attracting talents to the IT industry. Four employer value propositions (social value, development value, interest value, and economic value) have influences on a firm reputation stronger than the influence of social media use. This result differs from those of previous studies in other industries (Purusottama & Ardianto, 2019; Rampl, 2014). This means that to attract good applicants, IT companies should pay more attention to developing their long-term benefits, such as working environment, open culture, career development, learning opportunities, and so on.

Based on the bootstrap analysis, the mediating role of organisational reputation is also confirmed. Some previous studies (Sivertzen et al., 2013; Ha & Luan, 2018) did not find the importance of firm reputation to be a mediating factor of the influence between independent factors (EVPs and social media use) and the intention to apply for a job. In this research, organisational reputation is found to be an important mediating factor. Therefore, the firm reputation of IT companies is critical in strengthening the impact of employer branding and social media use on the intention to apply for an IT job.

## CONCLUSION

Through a survey of 240 respondents in Ho Chi Minh City, the proposed research model was tested. The results confirm six of the hypotheses. Four EVPs (social value, development value, interest value, economic value) and the use of social media were found to have positive impacts on the reputation of IT organisations. Then, reputation has a positive impact on the intention to apply for a job.

Based on the analysis results, some recommendations for IT companies in Vietnam and in the ASEAN area to increase their organisational reputation and attract good candidates can be suggested, including (1) communicating EVPs to their potential candidates, especially focusing on social value (working environment), development value (long-term career path), interest value (job characteristic), and economic value (payoff); (2) actively using career-oriented social media for advertising and to make contact with various groups of users for supporting recruiting activities; and (3) paying attention to efforts to improve current employees' satisfaction and corporate social responsibility for building a good reputation through viral marketing.

However, the research has some limitations, including: (1) the small sample size and (2) the evaluation of only the indirect impact of EVPs on the intention to apply for a job through the reputation of the organisation. Thus, some directions for future research include: (1) increasing the sample size and the scope to various other areas in ASEAN countries and (2) considering other independent factors relating to employer branding and evaluating both the direct and indirect impacts on the intention to apply for an IT job.

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## Appendix

### Appendix A - Qualitative Research Results

Ten IT experts (with >5 years experienced in IT industry) were interviewed regarding their opinions about:

- Their level of agreement with the proposed research model.
- Which of the following EVPs of IT industry could be evaluated by the outside people (customers/ job applicants)? Rate them in the priority list (1: most important, 7: least important).
- In the original scale, which questions should be revised, removed or added to be suitable with IT industry?

	R1	R2	R3	R4	R5	R6	R7	R8	R9	R10	Conclusion
EVP => Reputation	x	x	x	x	x	x	x	x	x	x	Agree
Social network => Reputation	x	x		x	x	x	x		x	x	Agree
Reputation => Intention to apply	x	x	x	x	x	x	x	x	x	x	Agree
Social value	2	3	3	4	3	2	2	4	4	1	✓
Economic value	4	2	1	2	1	1	1	2	2	3	✓
Development value	1	1	2	1	4	3	3	3	1	2	✓
Management value	-	-	-	5	5	-	5	-	6	5	✓
Interest value	5	4	-	3	2	5	4	1	3	4	✓
Application value	3	-	4	-	-	4	-	-	5	-	-
Work-life balance value	-	-	-	-	-	-	6	-	7	-	-

Some revisions to the original scale can be summarized as follows:

- Some similar scales should be combined;
- Some irrelevant scales to the IT industry should be removed or revised to be suitable for IT industry;
- Economic value should include some questions related to “bonus/salary/insurance/welfare”;
- Development value should include some questions related to “promotion/training opportunity/challenging”;
- Management value should be kept because management and leadership stories can be shared through social media and may have a great impact on the organisational reputation;
- Application value and work-life balance value should be removed completely, because these are difficult to evaluate for the customers or potential applicants.

**Appendix B – Final Questionnaire**

Code	Adjusted Measurement Scale	Sources
SV	Social Value	
SV1	The working environment is bright and clean, which helps me focus on my work	Sivertzen et al., 2013; Hur, 2012
SV2	Spaces for working and entertainment help me to be creative at work	
SV3	The workplace is equipped with modern facilities	
SV4	Co-workers always engage in positive exchange with and offer feedback to colleagues	
SV5	The organisational culture is always respectful toward both old and new employees	
IV	Interest Value	
IV1	The job is always innovative (not a routine job)	Sivertzen et al., 2013
IV2	Tasks are related to new technologies that help employees enjoy their work	
IV3	The job is consistent with my personal orientation and personal preferences	
EC	Economic Value	
EV1	The salary is higher than the expected salary for the position	Collins, 2007; Berthon et al., 2005
EV2	The policy of promotion is based on the performance of each person	
EV3	The bonus policy is based on individual performance	
EV4	Various beneficial policies exist (insurance, vacation, work from home, etc.)	
DV	Development Value	
DV1	There are challenging tasks that help me to feel better about myself	Sivertzen et al., 2013; Collins, 2007
DV2	There is a clear promotion roadmap for each job	
DV3	Working here enables me to expand my relationship with talented people	
DV4	The work requires me to learn continuously to build a better career	
MV	Management Value	
MV1	Suitable advice is provided to employees by the manager	Bellou et al., 2015
MV2	The effort of employees is recognized by their managers	
MV3	The management system is a meritocracy	
SMU	Social Media Use	
SMU1	I found job advertisements through social media	Sivertzen et al., 2013
SMU2	The job description and related information are posted on social media	
SMU3	Detailed posts about company and its achievements are attractive to me	
SMU4	I can communicate directly with the company via social media	
SMU5	I found reviews of other people about the company via social media	
REP	Reputation of Organisation	
REP1	I received a lot of good information about the company	Sivertzen et al., 2013; Rampl, 2014
REP2	The company is famous and well-known in the IT industry	
REP3	The products/services of this company are used widely by many people	
REP4	The company is respected by both employees and customers	
INT	Intention to Apply for a Job	
INT1	I want to work for this company immediately	Alnýáčýk, et al., 2014
INT2	I will apply even if the proposed position is different from my major	
INT3	I will apply to this job even if I have to work overtime	
INT4	I will be responsible and work seriously for this company	
INT5	I will introduce this company to my acquaintances	