Organizational Attractiveness for Prospective Applicants: A Person–Organisation Fit Perspective

Filip Lievens,* Christoph Decaesteker, Pol Coetsier

Ghent University, Belgium

Jo Geirnaert

Henkel Belgium

This study investigates which of four objective organisational characteristics determine the attractiveness of organisations for prospective applicants and the degree to which the Big Five personality factors moderate the effects of some of these organisational attributes. To this end, 359 final-year students (engineering and business majors, 71% men, mean age = 22.4 years) read short descriptions of organisations. These descriptions varied on four organ-
isational characteristics (i.e. organisation size, level of internationalisation, pay mix, and level of centralisation). The students had to indicate their attraction to the organisation. Additionally, they provided self-ratings on a personality inventory. The results show that prospective applicants are more attracted to large-sized, medium-sized, decentralised, and multinational organisations. Next, the results indicate that several personality characteristics moderate the effects of organisational characteristics on attractiveness. For instance, the factor conscientiousness moderates the effect of organisational size, with subjects high on conscientiousness being more attracted to large-sized organisations. The factor openness/intellect moderates the effect of internationalisation, with subjects high on openness/intellect being more attracted to multinational organisations.

**INTRODUCTION**

Due to the current quantitative and qualitative shortages on some labour markets the attractiveness of organisations has become increasingly important. Earlier studies used Vroom’s expectancy theory (e.g. Connolly & Vines, 1977; Greenhaus, Sugalski, & Crispin, 1978; Vroom, 1966) or decision theories (e.g. Herriot, Ecob, & Hutchison, 1980; Hill, 1974; Soelberg, 1967) to examine organisational attractiveness. For instance, Vroom (1966) reported on a strong relationship between the attractiveness of an organisation and the perceived instrumentality of that organisation for accomplishing specific goals (e.g. higher salary, more opportunity for advancement, etc.). According to Soelberg (1967), however, the choice of an organisation was rather an “unprogrammed” decision process. Soelberg suggested that in a first phase applicants use only a few factors to screen alternatives. Once applicants find a job in an organisation, which fulfils their minimum criteria on the important factors, they tend to confirm this choice.

More recent studies framed the attractiveness of organisations for prospective applicants in the context of the fit between the person and the organisation (Kristof, 1996). Schneider’s (1987) attraction-selection-attrition (ASA) model conceptually grounds this research stream. A premise underlying the ASA model is that “people in any organization are unique in that they are the ones attracted to, chosen by, and who choose to remain with an organization” (Schneider, Smith, Taylor, & Fleenor, 1998, p. 463). Regarding the attraction phase, Schneider posited that individuals are differently attracted to organisations as a function of their interests, needs, preferences, and personality. This attraction results from the fact that both the individual and the organisation are making decisions about one another: On the one side, recruitment and selection processes enable organisations to attract and select individuals who fit best to their needs and expectations. On the other side, on the basis of their previous experiences, interests, needs, preferences, and personality individuals make a selection among different organisations. Several studies used the interactionist approach to

person–organisation fit (Edwards & Cooper, 1990) to put these assumptions to the test and to examine whether people are attracted to organisations that fit their own personality. Both Burke and Descza (1982) and Schein and Diamante (1988) reported that individuals were attracted to an organisation whose culture reflected their own personality characteristics. Bretz, Ash, and Dreher (1989) found that individuals high on need for achievement were more attracted to organisations which encouraged and rewarded individual performances. Judge and Bretz (1992) showed that final-year students preferred jobs in organisations with organisational values similar to their own values. Bretz and Judge (1994) concluded that the fit between characteristics of human resource systems in organisations and individual characteristics was an important determinant of job acceptance. Cable and Judge (1994) found that personality attributes such as materialism and self-efficacy significantly predicted individuals' preferences for organisations with pay systems characterised by high pay levels and individual-based pay. Turban and Keon (1993) demonstrated that specific personality aspects (i.e. self-esteem and need for achievement) moderated the effects of organisational characteristics on organisational attractiveness. Specifically, upper-level students high on self-esteem were more attracted to decentralised and larger organisations. Students high on need for achievement chose to work in organisations with a merit-based pay system instead of a tenure-based pay system. Finally, Judge and Cable (1997) concluded that objective as well as subjective measures of person–organisation fit significantly correlated with organisational attractiveness.

How does the present study contribute to this research stream? First, consonant with the aforementioned studies, this study does not focus on actual person–organisation fit at the posthire stage but on the degree to which perceived person–organisation fit influences organisational choice behaviour. Because this study deals with the fit as supposed by prospective applicants, the target population consists of persons without real work experience (i.e. final-year students). As already noted, due to the actual shortages on some labour markets, this population becomes increasingly important for organisations. Accordingly, organisations need to understand the organisational characteristics on which final-year students base their organisational choice, the weight that final-year students place on these organisational characteristics, and the degree to which personality variables and other individual differences interact with these organisational characteristics to affect organisational choice behaviour (Bretz & Judge, 1994; Turban & Keon, 1993).

Second, on the organisational characteristics side, previous studies investigated among others how prospective applicants interpret an organisation’s reward system (Bretz et al., 1989), organisational values (Judge & Bretz, 1992), human resource systems differences (Bretz & Judge, 1994), pay
preferences (Cable & Judge, 1994), and organisational culture (Burke & Descza, 1982; Judge & Cable, 1997; Schein & Diamante, 1988). Yet little is known on how rather objective organisational characteristics such as organisation size are interpreted, and the degree to which individual differences interact with these characteristics (see Turban & Keon, 1993, for an exception). Because such organisational characteristics are visible and salient for applicants quite early in the application process, they might be perceived as signals of the organisational culture and values and, hence, influence applicants’ intentions to pursue further contact with a firm. Therefore, this study focuses on perceptions of four readily observable organisational attributes.

Third, on the person side, a drawback of prior studies was that they examined the moderating influence of a limited set of personality variables. Examples included personality variables such as dominance and autonomy (Schein & Diamante, 1988), need for affiliation and need for achievement (Bretz et al., 1989), materialism, individualism/collectivism, self-efficacy, locus of control, and risk aversion (Cable & Judge, 1994), internal locus of control (Bretz & Judge, 1994), and self-esteem and need for achievement (Schein & Diamante, 1988). However, other personality variables may also serve as relevant moderators for the relationship between organisational attributes and organisational attractiveness. In this respect, Bretz et al. (1989) stated that

> the emergence of consistent second-order factors [Big Five personality factors] across several of the major personality inventories suggests that these factors are a parsimonious specification of the infinite universe of personality characteristics. Given the stability of these dimensions, they may be a better choice of individual characteristics upon which to test the hypotheses since they are more likely to meet the job-relevance criteria. (p. 575)

Despite this recommendation and the fact that is now generally acknowledged that the Big Five factors capture most variance in personality (Costa & McCrae, 1992; Goldberg, 1990), only one recent study (Judge & Cable, 1997) used the Big Five personality factors in the field of organisational attractiveness. Judge and Cable (1997) found that the Big Five were generally related to hypothesised dimensions of organisational culture preferences. All of this shows that it might be relevant to use the Big Five personality factors as potential moderators in the context of organisational attractiveness. Therefore, in this study we formulate specific hypotheses on the degree to which the Big Five personality factors might moderate perceptions of the four objective organisational characteristics.

A final contrast with respect to previous research is that this study is conducted in Europe, namely in the Flemish part of Belgium. Each of the

aforementioned studies was conducted in the USA. Hence, the generalisability of the results to other samples remains questionable.

Taken together, this study aims to investigate (1) which of four objective organisational characteristics determine the attractiveness of organisations for prospective applicants, and (2) the extent to which the Big Five personality factors moderate the effects of these organisational characteristics on organisational attractiveness.

Organisational Characteristics

If rather objective organisational characteristics are to influence initial assessments of organisational attractiveness, they should meet several criteria (Rynes, 1991; Turban & Keon, 1993). Specifically, the characteristics should be visible and salient for applicants quite early in the decision process. In addition, the characteristics should potentially act as signals of the organisational culture and values. Finally, the characteristics should differ across organisations. In this study organisations are described according to four objective characteristics, which meet the aforementioned criteria: the size of the organisation, the level of internationalisation, the pay mix, and the level of centralisation.

Organisational Size. Rynes (1991) recommended including this characteristic in organisational attractiveness research. After all, the size of an organisation is a highly visible characteristic. For lesser known organisations this information is easily acquired through corporate reports, recruitment brochures, and the business press (Barber & Roehling, 1993; Rynes & Barber, 1990). Moreover, research showed that people generally consider the size of an organisation to be a crucial organisational characteristic (Porter, Lawler, & Hackman, 1975; Wanous, 1980). When applicants have little additional information to rely on, the size of an organisation is also particularly susceptible to stereotypical categorisation. For instance, Greenhaus et al. (1978) found that final-year students perceived small-sized organisations to be less instrumental for accomplishing extrinsic rewards (e.g. fringe benefits and high salaries). Conversely, large-sized organisations might be associated with other perceptions of organisational characteristics such as bureaucracy and many hierarchical levels (Turban & Keon, 1993).

The literature is not clear as to which type of organisations (large-sized versus small-sized) students approaching graduation typically prefer. Some studies (Greenhaus et al., 1978; Turban & Keon, 1993) reported that these students were more attracted to small-sized organisations. Other studies (Sheard, 1970) concluded that large-sized organisations were the most attractive. These equivocal results might indicate that the attractiveness of the size of an organisation differs across individuals.

**Level of Internationalisation.** The level of internationalisation of an organisation refers to the extent to which divisions of an organisation are dispersed across different countries. This characteristic is again clearly visible prior to the recruiting process. In addition, the presence of international divisions signals to prospective applicants that expatriation and overseas assignments may be common in a particular organisation.

**Pay Mix.** In general, pay policies are thought to be malleable, permitting organisations to distinguish themselves from competitors (Bretz et al., 1989) and to implement pay systems that are attractive for applicants (Cable & Judge, 1994; Rynes & Barber, 1990). In addition, pay systems have also an important signalling function, because they provide prospective applicants with information about less visible organisational characteristics (Cable & Judge, 1994; Gerhart & Milkovich, 1990). For example, applicants consider an organisation’s compensation policies to be an important dimension of organisational climate (Joyce & Slocum, 1990; Schneider, 1987). In addition, it enables applicants to get a clearer picture of the culture, norms, and values of the organisation (Rynes & Barber, 1990). Hence, job seekers expect some information about compensation factors early in the application process (Barber & Roehling, 1993).

Both pay level and pay mix determine which pool of applicants is attracted to the organisation and remains working for it (Lawler & Jenkins, 1992). The impact of pay level on organisational attractiveness for applicants has been repeatedly demonstrated (e.g. Cable & Judge, 1994; Judge & Bretz, 1992; Porter et al., 1975; Rynes, Schwab, & Heneman, 1983). Conversely, the effect of pay mix has not extensively been researched. Gerhart and Milkovich (1990) define pay mix as the extent of variable pay, in terms of the relative amounts of short-term bonuses, long-term incentives, and base salary in an individual’s pay. In other words, a distinction is made between the basic cash compensation that an employer pays for the work performed (i.e. base wage) and periodic adjustments to base wages according to individual performances (i.e. merit pay or incentive pay). In similar vein, Lawler and Jenkins (1992) distinguish between base pay and pay for individual performance (e.g. merit pay or incentive pay). Despite the heavy focus on pay level in previous compensation research, Gerhart and Milkovich (1990) found that organisations differentiated themselves more with respect to pay mix than pay level. According to them this finding “fits the argument that organisations have less flexibility in pay level decisions” (p. 685). Therefore, it is interesting to examine the effects of pay mix on applicants’ initial assessments of fit to organisations.

**Level of Centralisation.** Level of centralisation refers to the extent to which decisions are made by the higher levels of an organisation (Oldham &
Hackman, 1981; Porter et al., 1975). In general, people consider the level of centralisation to be an important organisational characteristic (Wanous, 1980). Similar to other organisational characteristics, applicants may perceive information about the level of centralisation as signals of the culture and the values of an organisation (Rynes & Barber, 1990). Therefore, this characteristic may impact on organisational attractiveness (Turban & Keon, 1993).

Personality Characteristics

We specify in this study hypotheses about the moderating effects of each of the Big Five personality factors (Costa & McCrae, 1992; Goldberg, 1990). As noted above, some critics notwithstanding (e.g. Block, 1995), there exists an emerging consensus among personality psychologists about the robustness of the Big Five factors (Costa & McCrae, 1992; Goldberg, 1993; Barrick & Mount, 1991). This emerging agreement about the number of factors has not resulted in a consensus about their nomenclature and their meaning. In this study we will use the terms extroversion/introversion, agreeableness, conscientiousness, emotional stability, and openness/intellect. The first factor extroversion/introversion encompasses traits like sociability, assertiveness, or surgency. The second dimension, agreeableness, contains attributes such as likeability, friendliness, and tolerance. The interpretation of the third factor, conscientiousness, is somewhat more controversial. On the one side this factor refers to a trait such as dependability. On the other side terms like achievement-oriented and ambition are also included. The fourth factor, emotional stability, represents traits such as neuroticism, anxiety, or impulsivity. Finally, the fifth factor openness/intellect is associated with traits as being curious, creative, imaginative, and independent.

Hypotheses

The following hypotheses are formulated. First, we expect that the personality factor extroversion will be relevant for the organisational attribute internationalisation. On the one hand persons high on extroversion are typically also characterised as being more active and adventurous (Goldberg, 1990). On the other hand it is more likely that people are given overseas (expatriate) assignments in multinational organisations than in national organisations. Although there exist few studies on personality variables in the expatriate selection literature, Liang (1998) cites two studies supportive of the correlation between extroversion and expatriate performance. Deller (1996) found that extroversion had a significantly positive correlation with self-rating of expatriate performance. Parker and McEnvoy
(1993) reported that extroversion was positively related to interaction adjustment. Hence, we hypothesise that extroversion will moderate the relationship between level of internationalisation and organisational attractiveness, and particularly that persons high on extroversion will be more attracted to multinational organisations (Hypothesis 1).

The second Big Five factor, agreeableness, may be relevant for an organisational attribute such as level of centralisation. According to Costa and McRae (1992), individuals high on agreeableness tend to be more conforming and passive. Consequently, these people are probably more comfortable in centralised organisations (or departments), that do not expect them to take many decisions on their own. Hence, we hypothesise that agreeableness will moderate the relationship between level of centralisation and organisational attractiveness, and particularly that individuals high on agreeableness will be more attracted to centralised organisations (Hypothesis 2).

Third, we expect that the personality factor conscientiousness will be relevant for the organisational attribute organisational size. On the one hand, conscientious individuals typically score higher on ambition and need for achievement (Barrick & Mount, 1991). On the other hand, people have more opportunities for advancement in large-sized organisations than in small-sized organisations (Greenhaus et al., 1978). According to Vroom’s (1966) expectancy theory, there exists a strong relationship between the attractiveness of an organisation and the perceived instrumentality of this organisation to accomplish specific goals (in this case higher salary, more career opportunities, etc.). Hence, expectancy theory predicts that individuals high on conscientiousness will perceive large-sized organisations as more instrumental for their goals. Recently, this was confirmed by Judge and Cable (1997) who reported significant correlations between conscientiousness and a preference for an organisational culture characterised among others by need for achievement. In short, we hypothesise that conscientiousness will moderate the relationship between organisational size and organisational attractiveness, and particularly that individuals high on conscientiousness will be more attracted to large-sized organisations (Hypothesis 3).

Fourth, we expect that the personality factor emotional stability will interact with level of centralisation and reward structure to affect organisational attractiveness. Persons low on emotional stability tend to be more insecure and experience more difficulties in taking decisions (Goldberg, 1990). Consequently, we hypothesise that such individuals will be more attracted to centralised organisations (Hypothesis 4) and organisations with a fixed pay system (i.e. more security) (Hypothesis 5).

Finally, a personality characteristic such as openness is relevant in the context of level of internationalisation. Our hypothesis is that individuals who are more open to new experiences will be more strongly attracted to
international organisations (*Hypothesis 6*). In this respect, the theory on sensation seeking (Zuckerman, Bone, Neary, Mangelsdorff, & Brustman 1972) posits that for persons high on openness new experiences (such as working abroad) are more attractive than for persons low on openness. Further, open individuals tend to be more imaginative, original, broad-minded, and autonomous (Costa & McCrae, 1992). Logically, these persons will be more open to other cultures (Kealey, 1996) and hence will more readily accept overseas assignments.

**METHOD**

**Procedure**

We asked final-year students to participate in two separate studies. Students were told that the first study dealt with the attractiveness of organisations and that the second study aimed to update the norms of a personality inventory. Participation in the studies was voluntary—no payment or extra credit was given for participation. Confidentiality was assured in advance.

First, organisation descriptions were randomly distributed across the students. Each student received one organisation description. The students were asked to assume that they were offered a job in the organisation possessing the characteristics included in the description and to indicate their attraction to that particular organisation. The students were also told that this gave them the opportunity to reflect on the type of organisation which they wanted to work for. Next, the students completed a personality inventory and several items related to background and biographical information (i.e. age, gender, and type of degree). This whole procedure took approximately 25 minutes.

The order in which experimental materials (in this case the organisational description and the personality inventory) are presented to subjects may exert effects on their responses. In this study we tried to alleviate such priming effects by telling subjects that they completed these two materials in light of two distinct research studies. In addition, these two materials were presented by different research assistants and had a different format (e.g. different font, etc.).

**Sample**

The sample was composed of 359 final-year students (71% men) in two large universities in the Flemish part of Belgium. These students came from two different fields of study: engineering (56%) and business (44%). Their mean age was 22.4 years. This sample is relevant in the context of this study because these students typically confront markets where the demand for
labour is large relative to the supply. Consequently, such students are generally able to obtain and critically evaluate multiple job offers in various organisations (Rynes, Heneman, & Schwab, 1980).

We compared the students of the two majors on the demographic variables gathered. Students from engineering majors were more likely to be male. No significant age differences were found between engineering and business majors. Additionally, no substantial differences between the students from the two university sites were noted.

Stimulus Material: Organisation Descriptions

Development. As noted previously, four salient organisational characteristics served as independent variables. The characteristic organisational size had three levels (i.e. small-sized, medium-sized, and large-sized), the characteristic level of internationalisation two levels (i.e. national and multinational), the characteristic pay mix two levels (i.e. base wage and performance-based pay), and the characteristic level of centralisation two levels (i.e. centralised and decentralised). When possible, each level of the organisational characteristics was operationalised on the basis of verbal descriptions of previous research (e.g. Turban & Keon, 1993) (see Appendix 1).

The verbal descriptions which operationalised the four characteristics were combined to an organisation description. The order of the four characteristics within an organisation description was always the same. First, information was provided with regard to the organisational size. This information was followed with specifics regarding the level of internationalisation and the level of centralisation. The last part of the organisation description contained information about the pay mix. We employed a factorial design, wherein all levels of all variables were crossed with one another. This resulted in 24 (3 × 2 × 2 × 2) organisation descriptions. A sample organisation scenario from the study appears below. The level of the independent variable each verbal description represents is in brackets.

We are a large-sized company [large] of an international group with divisions dispersed across the world [multinational]. Our division consists of over 1,100 employees [large], who are willing to work in a challenging environment. In our organisation corporate headquarters set general policies and then allow each department wide latitude in decision making [decentralised]. Our firm rewards employees for their individual performance [performance-based pay].

Pilot Study of the Internal Validity of the Organisation Descriptions. To examine whether the organisation descriptions contained the manipulations of the organisational characteristics, five randomly chosen organisation
descriptions were presented to 23 final-year students (resulting from this, each organisation description was read by four to six subjects). They read the organisation description and indicated the levels of each organisational characteristic built into the organisation description. This internal validity check yielded positive results for the majority of the organisational characteristics. For instance, in 90% of the cases final-year students correctly translated the verbal descriptions of the organisational characteristic pay mix to the respective levels. The verbal descriptions of level of centralisation were accurately retranslated in 90% of the cases. This percentage even increased to 96% for the verbal descriptions of the level of internationalisation. However, some problems existed with regard to the operationalisation of organisational size. In particular, the levels small-sized (62% of correct retranslations) and medium-sized (45% of correct retranslations) of this organisational characteristic seemed to be less adequately operationalised (see Greenhaus et al., 1978, for similar problems). On the basis of suggestions of the final-year students and three experts in recruitment and personnel selection (3 men, mean age = 38 years) we adjusted the verbal anchors representing these levels.

Pilot Study of the External Validity of the Organisation Descriptions. We conducted two studies to investigate the external validity of the organisation descriptions. First, the same 23 final-year students evaluated whether the five randomly chosen organisation descriptions were realistic; 86% of the organisation descriptions were considered to be realistic. Second, we examined whether real job postings contained information on the four organisational characteristics. To this end, we randomly selected 50 job postings from major Flemish newspapers. Information about organisational size appeared in 96% of the job postings. Information about the level of internationalisation was present in 100% of the job postings. Finally, the real job postings provided somewhat less information about the pay mix (70%) and about the level of centralisation (62%). Taken together, all of this indicates that our organisation descriptions contained salient organisational characteristics which real organisations use to present themselves to applicants in the recruitment process.

Personality Inventory

The Big Five Bipolar Rating Scales, also known as the B5BBS-25 (Mervielde, 1992), were used to measure the Big Five personality constructs. This is an abridged Flemish version of the 50 bipolar marker scales of Goldberg (1992). In the B5BBS-25 subjects are asked to provide self-ratings on 25 bipolar scales using a nine-point rating scale. Each Big Five factor contains five scales. The factorial structure of the B5BBS-25 in terms of the

Big Five factors has already been confirmed by several studies (Mervielde, 1992; Mervielde, Buyst, & De Fruyt, 1995). In addition, De Fruyt and Mervielde (1998) found a high level of convergence between the B5BBS-25 scales and the five factors measured by the NEO-PI-R.

In this study a factor analysis (principal axes with varimax rotation) performed on our data also resulted in five factors (eigenvalues from 5.1 to 1.2), which explained 55% of the variance. All scales had their highest loading on the factor, which they purported to measure. In addition, all scales were found to be internally consistent (see Table 1). These results enabled us to compute a score per subject on each of the five factors. This score was the mean self-rating on the scales, which belonged to a factor.

**Dependent Variables**

The attractiveness of an organisation was measured through six items (on a five-point rating scale). Four of these items came from Schein and Diamante’s study (1988). Additionally, we developed two new items. Both positively worded and negatively worded items were included. An example of an item was “I would very much like to work for this organisation” (1 = strongly disagree, 5 = strongly agree). Because the internal consistency of these six items was high (α = 0.93), the average on these items served as the attractiveness score for the subsequent analyses.

**ANALYSES AND RESULTS**

**Effect of Organisational Characteristics**

Table 1 presents the means, the standard deviations, and the correlations among the variables of this study. We performed an analysis of variance to examine the effects of the various organisational characteristics on organisational attractiveness. This analysis of variance revealed that the level of centralisation, $F(1, 335) = 32.28, p < 0.001$ (partial eta squared = 0.09), the level of internationalisation, $F(1, 335) = 8.71, p < 0.01$ (partial eta squared = 0.03), and the organisational size, $F(2, 335) = 3.46, p < 0.05$ (partial eta squared = 0.02), significantly influenced attraction to the organisation. In particular, final-year students were more attracted to decentralized organisations ($M = 3.54$) than centralised organisations ($M = 3.06$). Students were also more attracted to multinational organisations ($M = 3.43$) as compared to national organisations ($M = 3.18$). Finally, a Tukey HSD test showed that they were more attracted to either large-sized ($M = 3.43$) or medium-sized organisations ($M = 3.32$) than to small-sized organisations ($M = 3.16$), $p < 0.05$. The pay mix had no significant effect on organisation attractiveness ($F < 1$), although there
### TABLE 1
Descriptive Statistics and Correlations among Variables of Study

<table>
<thead>
<tr>
<th>Variable</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Attractiveness</td>
<td>3.29</td>
<td>.85</td>
<td>.93</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Size (1 = small, 2 = medium-sized, 3 = large)</td>
<td>1.98</td>
<td>.81</td>
<td>.13*</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Level of internationalisation</td>
<td>1.50</td>
<td>.50</td>
<td>.15**</td>
<td>–.01</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1 = national, 2 = multinational)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Pay mix</td>
<td>1.49</td>
<td>.50</td>
<td>.03</td>
<td>.02</td>
<td>.01</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1 = base wage; 2 = performance-based pay)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Level of centralisation</td>
<td>1.50</td>
<td>.50</td>
<td>.27**</td>
<td>.01</td>
<td>–.01</td>
<td>–.03</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1 = centralised, 2 = decentralised)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Extroversion/introversion</td>
<td>6.02</td>
<td>1.19</td>
<td>–.06</td>
<td>.04</td>
<td>–.09</td>
<td>–.04</td>
<td>.04</td>
<td>.86</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Agreeableness</td>
<td>6.32</td>
<td>.96</td>
<td>.06</td>
<td>–.03</td>
<td>–.01</td>
<td>–.01</td>
<td>–.02</td>
<td>.22**</td>
<td>.76</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Conscientiousness</td>
<td>6.69</td>
<td>1.20</td>
<td>.01</td>
<td>–.05</td>
<td>–.10</td>
<td>–.06</td>
<td>.02</td>
<td>.09</td>
<td>.14**</td>
<td>.89</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Emotional stability</td>
<td>5.88</td>
<td>1.19</td>
<td>.03</td>
<td>–.06</td>
<td>–.03</td>
<td>–.00</td>
<td>.07</td>
<td>.10</td>
<td>.02</td>
<td>.14**</td>
<td>.81</td>
<td></td>
</tr>
<tr>
<td>10. Openness/intellect</td>
<td>7.06</td>
<td>.90</td>
<td>–.04</td>
<td>–.10</td>
<td>–.00</td>
<td>–.01</td>
<td>.05</td>
<td>.33**</td>
<td>.22**</td>
<td>.40**</td>
<td>.17**</td>
<td>.77</td>
</tr>
</tbody>
</table>

Note. Cronbach’s alpha estimates of reliabilities are on the diagonal.

* \( p \leq 0.05 \), ** \( p \leq 0.01 \)
existed a slight preference for organisations with pay for performance \((M = 3.33)\) as compared to organisations rewarding employees with a base salary \((M = 3.28)\).

**Person–Organisation Fit Perspective**

To examine the hypotheses of the moderating effects of each of the Big Five personality characteristics a hierarchical multiple regression analyses was performed. In the first step the four organisational characteristics were entered in the equation. The second step entered the five personality characteristics. In the third step we entered the hypothesised interactions between the personality characteristics and the organisational characteristics. In line with recommendations for dealing with problems of multicollinearity that arise from the use of cross-product terms, independent variables were standardised prior to computing their cross-product terms \((Aiken \& West, 1991; Jaccard et al., 1990)\). The change in \(R^2\),

\[\Delta R^2\]

<table>
<thead>
<tr>
<th>Step and source</th>
<th>Cumulative (R^2)</th>
<th>(\Delta R^2)</th>
<th>(b^a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Organisational characteristics</td>
<td>.34**</td>
<td>.34**</td>
<td></td>
</tr>
<tr>
<td>2. Personality characteristics</td>
<td>.36**</td>
<td>.02</td>
<td></td>
</tr>
<tr>
<td>3. Interactions (on the basis of hypotheses)</td>
<td>.43**</td>
<td>.06**</td>
<td></td>
</tr>
<tr>
<td>Extroversion (\times) Level of internationalisation</td>
<td></td>
<td>.05</td>
<td></td>
</tr>
<tr>
<td>Agreeableness (\times) Level of centralisation</td>
<td></td>
<td>.02</td>
<td></td>
</tr>
<tr>
<td>Conscientiousness (\times) Size (small vs. large)</td>
<td></td>
<td>-.14**</td>
<td></td>
</tr>
<tr>
<td>Conscientiousness (\times) Size (medium vs. large)</td>
<td></td>
<td>-.12*</td>
<td></td>
</tr>
<tr>
<td>Emotional stability (\times) Pay mix</td>
<td></td>
<td>-.01</td>
<td></td>
</tr>
<tr>
<td>Emotional stability (\times) Level of centralisation</td>
<td></td>
<td>-.01</td>
<td></td>
</tr>
<tr>
<td>Openness/intellect (\times) Level of internationalisation</td>
<td></td>
<td>.12*</td>
<td></td>
</tr>
</tbody>
</table>

\(a\) In order to interpret the \(a\) priori standardised variables as correctly as possible, the \(b\) coefficients in this table are unstandardised regression coefficients \((Aiken \& West, 1991; Jaccard et al., 1990)\); Due to rounding, \(\Delta R^2\) differs .01 from the Cumulative \(R^2\).

\(p < 0.05\), \(** p < 0.01\).

\(1\) Because moderator effects are symmetrical, it is possible to describe the personality as a moderator of the effect of organisational characteristics on attractiveness, as well as the organisational characteristics as a moderator of the effect of personality on attractiveness. For theoretical reasons, we chose to describe the results in terms of the personality as moderator of the effects of the organisational characteristics on attractiveness (see also Turban & Keon, 1993).

associated with the respective set of interaction terms, indicated the extent to which each personality characteristic moderated the effects of the organisational characteristics on organisational attractiveness. Note also that for these regression analyses the organisational characteristics were recoded into dummy variables. Two dummy variables were created for the variable organisational size (with three levels). The level large-sized was coded with all zeros and served as the comparison group. For each of the other three variables (each with two levels) one dummy variable was created.

As shown by Table 2, the organisational characteristics (i.e. first step) explained 34% of the variance, $F(5, 353) = 9.24, p < 0.01$. The personality characteristics, entered in the second step, were responsible for an additional variance of 2.4%, $F(5, 348) = 1.31, p > 0.05$, n.s. Hence, both organisational characteristics and personality characteristics explained 36.4% of variance. The third step of the analysis revealed that adding the hypothesised interaction terms between some of the personality characteristics and organisational characteristics significantly increased the variance explained (namely 6.2%), $F(7, 341) = 2.93, p < 0.01$.

Inspection of the regression coefficients of Table 2 indicated that two interaction terms were significant. In particular, the personality factor conscientiousness significantly moderated the effect of organisational size ($b = -.14, p < 0.01$) on organisational attractiveness (Hypothesis 3). Subjects high (more than one standard deviation above average) on conscientiousness were significantly more strongly attracted to large-sized organisations than subjects low (more than one standard deviation below average) on this factor. For the levels small and medium-sized conscientiousness also exerted a moderating influence ($b = -.12, p < 0.05$). Further the factor openness/intellect significantly moderated the effect of the level of internationalisation ($b = .12, p < 0.05$) on organisational attractiveness (Hypothesis 6). Subjects high on openness/intellect were more attracted to multinational organisations than low scorers. The latter subjects were more attracted to national organisations. Taken together, these findings show that two hypotheses were confirmed. Hypotheses 1, 2, 4, and 5 were not confirmed because no other significant interactions were found.

**DISCUSSION**

**Main Conclusions and Interpretations**

A first objective of this study was to investigate which of four objective organisation characteristics determined the attractiveness of organisations. Manipulation checks revealed that real organisations used these four organisational characteristics frequently in job postings to present themselves to prospective applicants early in the recruitment process.
Results showed that prospective applicants were more attracted to medium-sized and large-sized organisations, to multinational organisations, and to decentralised organisations. With respect to the effects of the organisational factors on attractiveness, it was striking that the level of centralisation emerged as the most salient attractiveness factor. Turban and Keon (1993) also concluded that decentralised organisations were more attractive for US upper-level students. Accordingly, prospective applicants indicate that they appreciate working in departments with latitude in decision making. Probably, this is due to the higher job satisfaction related to participative decision structures (Cotton, Vollrath, Froggatt, Lengnick-Hall, & Jennings, 1988).

Another noteworthy result was that in this study pay mix yielded no significant effect on organisational attractiveness. This is not in line with either Cable and Judge (1994) or Turban and Keon (1993), who found that upper-level students were more attracted to firms with performance-based pay structures instead of seniority-based pay systems. There are at least two explanations for these different results. First, these results may reflect cultural differences. Our study was not conducted in the USA but in the Flemish part of Belgium. In this respect, Furnham and Gunter (1993) found that the individualistic dimension, which puts the spotlight on such characteristics as achievement and personal initiative, was prevalent in the USA. This may explain the strong preference of American upper-level management students for firms rewarding employees for their individual performances. Second, previous research (e.g. Cable & Judge, 1994; Turban & Keon, 1993) examined the effect of reward structure. In these studies this factor encompassed two levels: merit-based pay and seniority-based pay. On the basis of suggestions of Gerhart and Milkovich (1990) our study manipulated pay mix and operationalised this factor with two levels (i.e. base wage and performance-based pay). Although the difference in operationalisation is subtle, it may also account for the differences obtained. Future research is needed to shed more light on the importance of reward structure and pay mix and their relationship with pay level.

A second objective of this study focused on the degree to which the Big Five personality factors moderated the effects of the four salient organisational attributes on organisational attractiveness. We extended prior person–organisation fit studies on organisational attractiveness by specifying hypotheses of the moderating effects of each of the Big Five personality factors and by using a sample of European (i.e. Flemish) final-year students. Consistent with the interactionist approach to person–organisation fit, adding interactions between two organisational attributes and personality characteristics yielded a significant contribution to the variance explained. The fact that only in some instances personality characteristics moderated the effects of organisational attributes on organisational

attractiveness was less supportive of this interactionist approach. More specifically, only two hypotheses were confirmed. In fact, subjects low on openness/intellect were more attracted to national organisations than subjects high on openness/intellect. The latter subjects were more attracted to international organisations. Conscientious individuals were more attracted to large-sized organisations than individuals who were low on conscientiousness. Despite these interaction terms contributing significantly to the variance, this contribution was not substantial because the incremental variance explained is small. Accordingly, the significant interactions found should be interpreted with caution (in light of replication).

Although prior studies (e.g. Judge & Cable, 1997; Schein & Diamante, 1988; Turban & Keon, 1993) supported the use of an interactionist theoretical framework to investigate organisational attractiveness, this was less clear-cut in this study. Possible explanations are at least threefold. First, this study dealt with person–organisation fit as supposed by final-year students. Hence, prospective applicants’ intentions to work for a particular organisation instead of their actual job pursuit decisions (e.g. Turban, Campion, & Eyring, 1995) were the focus of this study. This may explain why the moderating effects of personality characteristics were less impressive. A second explanation is that the prior studies were conducted in the USA, where colleges’ placement centres systematically assist students in their job search. Resulting from this, final-year students may develop a more explicit preference for specific organisations. Third, we opted for rather “broad” personality factors. For instance, the personality inventory used (B5BBS-25) measured extroversion only on the construct level. However, we specified the hypothesis of the moderating effect of extroversion at the facet level, because the hypothesis only involved the surgency (i.e. “activity”) facet of extroversion. In other words, the broad operationalisation of extroversion may account for the lack of support for our hypothesis. Our choice to measure the Big Five only at the construct level was consistent with prior studies (Judge & Cable, 1997). Yet, it may also be worthwhile to examine the moderating effects of various facets of the Big Five personality constructs.

Implications for Practice and Future Research

Because of the prevalent shortages of workers in some occupations (Rynes, 1991) and the utility of having the top-quality applicants accept job offers (Murphy, 1986), organisations are expending more effort in attracting and recruiting. As a result, it is increasingly important for organisations to understand which factors guide the organisational choice process of final-year students. In this respect, a first practical implication of this study for organisations in general and recruiters in particular is that they should be...
aware that rather objective organisational factors such as level of centralisation, level of internationalisation and organisational size influence the attractiveness of organisations. Because applicants possess only limited information about organisations in the early stages of job search, they probably interpret these organisational factors as signals of organisational values and culture (Judge & Bretz, 1992). For example, a large centralised organisation may be associated with rules and procedures. Second, recruiters from organisations should emphasise (if true) that their respective organisation is large-sized, decentralised, and multinational. Besides including this information in corporate reports, recruitment brochures, or the business press, they should also routinely mention it in job postings and during interviews or site visits. This is especially true for information on the level of centralisation. Although this organisational attribute was found to have the largest impact on attractiveness, our pilot study revealed that such information appeared in only 62% of real job postings. Third, this study demonstrated that even within a relatively homogeneous pool of final-year students (e.g. engineering majors and business majors), there was enough variability in personality attributes to find different organisational preferences. As a consequence, some organisations will have more difficulty in attracting their desired applicants. For instance, this study showed that for national organisations it is less evident to attract open, creative, and independent individuals because these persons seem to be more strongly attracted to multinational organisations.

Future studies should employ other research designs to gain further insight into the issue of organisational attractiveness (Barber, 1998). For example, because our results were obtained on a sample of relatively inexperienced job seekers, they might partially reflect commonly held stereotypes of attractive organisations. Hence, it is interesting to use other samples such as experienced job seekers or those who are currently employed. Related to this, Bretz, Boudreau, and Judge (1994) found that dissatisfaction with different organisation and job attributes was a much stronger predictor for job search among experienced job seekers than perceptions of “greener pastures” (p. 295). This study was also designed to assess organisational attractiveness at the beginning of job search, when final-year students plan and initiate their search. Undoubtedly, this initial phase is a very important one as it affects all subsequent decision alternatives and the final outcomes of the search process. However, because job searchers’ attitudes, preferences, and behaviours are expected to change over the job search process, future studies may employ a more dynamic research approach. In one of the few longitudinal studies, Barber, Daly, Giannantonio and Phillips (1994) found partial support for the contention that over the course of search detailed job and organisation information become more relevant for job seekers. A final avenue for future studies consists in
exploring the processes which underlie the organisational choice decisions of final-year students and applicants.

REFERENCES


### APPENDIX 1

**Verbal Descriptions of Levels of Organisational Characteristics**

<table>
<thead>
<tr>
<th>Organisational characteristic and level</th>
<th>Verbal description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Size</strong></td>
<td></td>
</tr>
</tbody>
</table>
| Small | • “We are a small-sized company that...”
| | • “Our division consists of over 45 employees...”
| Medium | • “We are a medium-sized company that...”
| | • “Our division consists of over 260 employees...”
| Large | • “We are a large-sized company that...”
| | • “Our division consists of over 1,100 employees...”
| **Level of internationalisation** | |
| National | • “... of a Belgian group with several divisions dispersed across the country.”
| Multinational | • “... of an international group with divisions dispersed across the world.”
| **Pay mix** | |
| Base wage | • “Our firm provides employees with a base salary.”
| Performance-based pay | • “Our firm rewards employees for their individual performance.”
| **Level of centralisation** | |
| Centralised | • “In our organisation corporate headquarters set general policies which prescribe departmental decision making.”
| Decentralised | • “In our organisation corporate headquarters set general policies and then allow each department wide latitude in decision making.”