

EFFECTS OF INFORMATIONAL ASYMMETRIES ON JOB SEEKERS' RATINGS OF ORGANIZATIONAL CREDIBILITY

Dr. Raina M. Rutti¹, Dr. Sung Hee "Sunny" Park²

¹Associate Clinical Professor of Management, W. Frank Barton School of Business, Wichita State University, USA ²Director, Darla Moore School of Business Data Lab, Clinical Associate Professor, Department of Management Science, Darla Moore School of Business, University of South Carolina, Columbia, USA

Abstract

Recruiters need to develop successful recruitment strategies and techniques to attract new employees by examining the employment process from the job seeker's point of view. This study aimed to examine the impact of additional information from an external source (Wall Street Journal) on the relationship between job previews used in recruitment and applicants' perceptions of corporate credibility. Results of an experimental study with 2×3 factorial design show that that while the presence of realistic job previews did not affect credibility ratings, additional information did moderate the relationship between job previews and perceived credibility. The findings suggest that providing consistent information in the job preview and external sources enhances perceived credibility. Practical implications and future research directions are discussed.

Keywords

Information Asymmetry, Credibility, Previews, Recruitment

Introduction

Companies of every size across different industries in U.S. are facing unprecedented challenges trying to find enough workers to fill open jobs. According to the U.S. Chamber of Commerce, we have over 10 million job openings in the U.S. but only 5.7 million unemployed workers (U.S. Chamber of Commerce, 2023). So, more than 4 million labor shortage even if every unemployed person is hired for a job. Furthermore, total employment is projected to grow by 8.3 million jobs from 2021 to 2031 (U.S. Bureau of Labor Statistics, 2022). The current labor shortage, along with projected employment growth creates greater challenges for recruiters to attract new employees.

During the good old days, recruiters seldom considered recruitment strategies and techniques although decision making in the employment process encompasses much more than choosing which person to hire (Ployhart, Schmitt, & Tippins, 2017). From a recruiter's point of view, employment process simply involved finding the right candidate for the job while comparing the qualifications of applicants to the needs of the company. Now, more than ever, recruiters seek successful recruitment strategies and techniques in order to attract new employees by examining the employment process from the job seeker's point of view.

Based on our literature review of recent research studies on employment process from the job seeker's point of view, we found there have been dichotomous lines of research centered on the reactions of job seekers. One line of research focuses on the reaction of job seekers to different recruiting practices, while the other explores the reaction to various job attributes. This study will provide an extended view of both streams of research by focusing on how outside information, available to first time job seekers, affects their perception of company credibility (an attribute) when provided with different types of job previews (alternative recruiting practices).

Further, this study contributes to the literature by including a moderating variable to the traditionally studied direct relationship of information provided during recruitment and its effect on applicants' perceptions of the job and the company. This contribution is exploring how information from an outside source moderates the relationship between the job preview and the perceived credibility. The information from the outside source was

situated as an article from a reputable published business source (i.e. the *Wall Street Journal*) providing another unique aspect to the study.

The remainder of the paper is organized as follows: in the literature review section, we provide a comprehensive review of constructs related to the employment process from the job seeker's point of view while focusing realistic job previews, corporate image and credibility, and additional outside information. Then, in the next section, our research model and hypotheses are developed. In method section, we discuss constructs measurement and describe sample data. In result section, we provide analysis and hypotheses results. Following section provides discussion as well as theoretical and practical implications. The final section concludes the study by presenting both limitations and future research.

Literature Review

Realistic Job Previews

The job preview is the announcement of an available position within a company. It typically includes information on the job, duties, salary provided, and outlines applicant requirements. Organization recruiters recognize the importance of managing job applicants' impressions and therefore tend to provide positive information of work at their organizations to recruit the best candidates (Buckley, Mobbs, Mendoza, Novicevic, Carraher, & Beu, 2002; Lee, Ashford, Walsh, & Mowday, 1992; Liu, Keeling, & Papamichail, 2018; Wanous, 1980). However, these initial interactions often create unrealistic job expectations. This disparity tends to lessen job satisfaction, commitment, and employee productivity, and can lead to higher absenteeism. Additionally, unrealistic expectations have been found to affect worker turnover during the first year of employment (Bretz & Judge, 1998; Dugoni & Ilgen, 1981; Meglino, Ravlin, & DeNisi, 1997; Rynes, Bretz, & Gerhart, 1991; Wanous, Poland, Premack, & Davis, 1992). Thus, the ability to create realistic expectations among new hires is particularly significant to organizations in terms of efficiency and sunk costs in new hires (i.e. screening costs, training costs, certification requirements). One strategy in which organizations can increase realistic expectations is through advertising job openings with realistic job preview information included.

Realistic job previews (RJPs) are a specific type of job preview that provide more realistic information about the expected job duties. RJPs provide both desirable and not so desirable (i.e., truthful – both positive *and* negative) aspects of the job (Phillips, 1998). Studies have found realistic information decreased respondents' expectations and organizational attraction but increased perceptions of trustworthiness. Additionally, in comparison to traditional previews, RJPs facilitated better matching of individuals to organizations (Adeyemi-Bello & Mulvaney, 1995; Buckley, Fedor, Carraher, Fink, & Marvin, 1997; Travagline, 2002). Other research including a meta-analytic review of RJPs found a relationship between RJPs and higher performance in addition to a relationship between RJPs and lower attrition related to voluntary turnover (Buckley, Fedor, Veres, Wiese, & Carraher, 1998; Phillips, 1998). RJPs have also been studied in connection with alternative recruiting practices. Meta-analysis of the effectiveness of RJPs indicates an increase in job satisfaction for applicants who accept jobs advertised with RJPs due to self-selection, freedom of choice and lowered or more realistic expectations of the job (Meglino, Ravlin, & DeNisi, 2000).

Corporate Image and Credibility

One line of research on the job seeker's perspective in the employment process has focused on the reaction of job seekers to various job attributes (Feldman, Bearden, & Hardestry, 2006; Powell, 1984; Roberson, Collins, & Oreg, 2005; Taylor & Bergmann, 1987). Job attributes encompass many different dimensions including what qualifications are required, what responsibilities and tasks are expected, and may even include information about the company and how a job opening fits within the structure of the firm. Recent studies focusing on job attributes and job seekers have considered such aspects as company culture, advancement opportunities and the nature of work (see for example: Boswell, Roehling, LePine, & Moynihan, 2003; Gardner, Reithel, Foley, Cogliser, & Walumbwa, 2009; Knouse, 2009; Ma & Allen, 2009; Phillips, 1998; Templer, Tay, & Chandrasekar, 2006). These studies have found the attributes play an important part in the decision a job seeker makes about accepting a job. Thus, how a potential applicant views these aspects impacts how the company's image is perceived.

An important aspect of company image is credibility, or how believable and trustworthy the job candidate perceives the company to be (Burt, Halloumis, McIntyre, & Blackmore, 2010; Slaughter, Cable, & Turban, 2014). In terms of recruiting efforts and materials and company disseminated information, the company becomes the source of this information. Research has found two factors determine the "source" credibility-- expertness and trustworthiness (Hovland, Janis & Kelley, 1953; Ohanian, 1990; Newell & Goldsmith, 2001). Expertness deals with the perception of the truthfulness of the source of the information (i.e., the company), while trustworthiness is the degree of confidence in and acceptance of a message.

Additional research on alternative recruiting practices has studied applicant reactions to the perceived fairness and justness of the selection procedures. Gilliland (1993) suggests applicant reactions to employment selection procedures will provide a variety of outcomes. For example, applicants are likely to suspend contact with

2 | Effects of Informational Asymmetries on Job Seekers' Ratings of Organizational Credibility: Sung Hee "Sunny" Park et al.

an organization they perceive as having unfair and unjust procedures. Furthermore, this perception of the unfair procedures will lead to a diminished view of the company, which in turn tarnishes the company's image in the eyes of the job applicant. Other research exploring fairness and attitudes toward an organization found attitudes toward an organization are positively related to the perceived fairness of the interview process and are used by individuals in forming a perceived image of a company (Kohn & Dipboye, 1998). The combination of these findings seem to indicate individuals gather information about organization and make determinations of credibility based on fairness and accuracy of the information provided by the organization and first-hand experiences with the organization.

Additional Outside Information

While organizations may wish to bet the gatekeepers of information about themselves in hopes to present a positive image, information about an organization can come from many sources. One study examining corporate and recruitment images in relation to initial job choices, found exposure to information about the organization including personal use of products or services, studying the organization in a college class, and exposure to company advertisements were important to an individual's perception of the corporate image (Gatewood, Gowan, & Lautenschlager, 1993). In addition, this study found both corporate image and recruitment image was significantly correlated to potential job applicant's intent to pursue further contact with an organization. These findings support the idea that an applicant's increased exposure to a company help form a stronger image of that company. Further, it would indicate job applicants will use information from multiple sources to form an opinion of the company and determine their interest in contacting the company as a potential applicant.

Because applicants are obtaining information from multiple sources, how they use that information in determining perceived corporate credibility is important to recruiting. Explanation-based decision-making theory examines how people make decisions based on information provided to them. This theory provides a model whereby the decision maker constructs a causal explanation of the information they are given by combining it with related knowledge and expectations (Pennington & Hastie, 1988). In the realm of information received about job positions and how that impacts decisions based on the credibility of the company, an applicant would utilize explanation-based decision making to provide a suitable rationale as to why information may differ between a job preview and additional information from outside sources such as media, the Internet, or word- of- mouth.

Research Model

Figure 1 depicts our research model, where the interaction effect between RJPs and additional information from an external source (Wall Street Journal) was conceptualized as information asymmetries. Beyond examining the relationship between RJPs and ratings of corporate credibility, we posit that this relationship might depend on information asymmetries of additional information.



Figure 1: Research Model

Many studies suggest that RJP increases perceptions of trustworthiness (Adeyemi-Bello & Mulvaney, 1995; Buckley, Fedor, Carraher, Fink, & Marvin, 1997; Travagline, 2002). Based on the perceived accuracy of the information provided by the RJP, applicants may see an organization as more trustworthy and credible even though the description may include negative aspects of the job. This leads to the first hypothesis:

Hypothesis 1: **Realistic** job previews will have a more positive relationship with ratings of corporate credibility than **positive** job previews.

Explanation-based decision-making theory explains how applicants are using additional information from an external source (Wall Street Journal) in determining perceived corporate credibility (Pennington & Hastie, 1988). While job seekers construct a causal explanation of the additional information by combining it with related knowledge and expectations, informational asymmetries of the additional information from an external source has an impact on the relationship between job previews and applicants' perceptions of corporate credibility.

Two ways to explain a discrepancy between this additional outside information and the information provided from the job preview or from the company (source) would be: (1) the company is either being untruthful in their evaluation of the job or (2) the person providing the additional information about the job has limit information (not an expert on the specific job or the overall organization). By providing additional information from a perceived credible outside source (i.e. the *Wall Street Journal* which is considered both truthful and expert) the onus of the discrepancy would lie with the organization which in turn would lower the credibility score, whereas subjects receiving consistent information about a job position would provide a higher credibility rating. Based on these arguments, four hypotheses emerge:

Hypothesis 2: The relationship between job preview and credibility is moderated by additional information.

Hypothesis 2a: The relationship between **positive** job previews and corporate credibility is moderated by additional information such that the more favorable the additional information, the higher the corporate credibility ratings.

Hypothesis 2b: The relationship between **realistic** job previews and corporate credibility is moderated by additional information such that the more information provided about the company, the higher the corporate credibility ratings.

Hypothesis 2c: The relationship between job preview and credibility is moderated by additional information such that the **more synchronous** the information (between the job preview and the additional information), the higher the corporate credibility ratings.

Method

Description of the Sample

To test these hypotheses, 131 Business Administration majors enrolled in select classes at the undergraduate (senior-level) and graduate (MBA) level business classes at a large, AACSB- accredited Southeastern university were asked to anonymously completed a survey after reading and reviewing provided information about a company and a job description for an internship opportunity relevant to their field of study. By framing the job preview as an internship allowed the job preview to be presented in a way that was relevant to the student's unique situation in the job market. This study follows the methodology of prior research on realistic job preview information dissemination utilizing student samples (McLean, Smits, & Tanner, 1991; Fisher, Ilgen, & Hoyer, 1979; Saks & Cronshaw, 1990; Travagline, 2002; Spitzmüller, Neumann, Spitzmüller, Rubino, Keeton, Sutton, & Manzey, 2009.

Demographics of the sample were: 65% undergraduate, 45% male, average age 21.8 years, 90% were native English speakers, average full-time work experience was 1.5 years, 41% had participated in an internship, 71% planned on participating in an internship, and 18.5% were minorities. For this study, the use of students was appropriate as they are frequently engaged in the job search process, either searching for an internship to complete during their studies (as this study was framed) or for full-time employment in anticipation of graduation.

Design of the Study

Students were given all information (job description, possible additional information and the three-page survey) to complete during class and were allowed ample time to read the material and complete the survey. Most finished the process in less than half an hour. The researchers were present to answer questions from the respondents. The survey was approved by the University's Human Subjects Committee prior to administration and also pre-tested with a sample of five students not included in the final results.

In the study, students were asked to examine a job preview (or advertisement) and complete a survey. The job preview described a business internship appropriate for any business major and included all functional areas of business -- accounting/finance, consulting, marketing/advertising, sales/customer service, operations management, and human resources. The format was similar to other jobs describing a student internship that would be posted on the career services website of the Business School's Career Center. In addition, part of the sample was then given additional information about the internship company from a *Wall Street Journal* article. Students were led to believe the job and company were real. They were only informed in debriefing, and after completing the survey, the job and any additional information provided was not real.

4 | Effects of Informational Asymmetries on Job Seekers' Ratings of Organizational Credibility: Sung Hee "Sunny" Park et al.

The experiment was a two by three factorial design scenario in which the job preview (positive versus realistic) and outside information (none, positive, or mixed) were manipulated. In both versions of the internship posting, the date range, opportunity type, location and much of job details were the same. The **positive** job preview (PJP) provided quotes from past interns to establish buoyant feelings for the job (i.e., "excellent opportunities for advancement following graduation," "I was really able to develop and use my skills and knowledge with the help of my mentor"). In contrast and to avoid ambiguity, the **realistic** job preview (RJP) included three additional statements of judgmental content and medium negativity (i.e., less desirable aspects of the job including an unpredictable work schedule and a micromanaging supervisor) as suggested by Wanous (1989) as well as quotes from past interns (i.e. "more traditional internship duties such as filing and copying will also be expected," "opportunities for advancement may be limited for some positions," "aside from the monotonous filing and copying aspect of the job, I feel like I gained good hands-on experience I can use in the future," "students will be very closely monitored"). Almost half (65) students were given the positive (PJP) version while 66 were given the more realistic (RJP) description.

The group was divided into thirds (44, 44, and 45) for the second manipulation which involved the amount and type of additional information -(1) **no** additional information (NAI), (2) **positive** additional information (PAI), or (3) **realistic** additional information (RAI). The information was an article entitled "New Internship Programs Provide Job Experience." The more **positive** article (PAI) mentioned that "over the past three years, the company has built a program to help cultivate college students for entrance into the business world." The more **realistic** article (RAI) mentioned that the training orientation was the intent of the internship but again highlighted the more traditional filing, copying, and errand duties. The RAI also added an additional sentence that read: "However, some of the employees and former interns have mixed feelings."

Both articles mentioned that "75% of the students from the internship go on to accept positions with the company and start at a more senior level than most new graduates," while the more realistic copy (RAI) also mentioned students did not move up as quickly as in other companies. A student quote stressed this fact – "I started in a higher job level than other graduates, but I had to make a lateral move to get in line for a promotion. Even though I was discouraged for a while because I had to remain at this level longer, I am satisfied with the direction my career is going."

Measures

<u>Credibility (The Combination of Trustworthiness and Expertise).</u> Section 1 of the survey included 31 questions. Eight questions polled respondents about corporate credibility. This credibility construct considers both trustworthiness, and expertise (Newell & Goldsmith, 2001). Questions were "I feel this company is extremely trustworthy," "The company provided a very accurate description of this job," "I am uncertain about whether the information provided in the job posting is legitimate (R)," "I feel the company is not being honest in the way it represents itself (R)," "I consider the company to be extremely credible," "I believe I can trust the information provided in the job posting," "The information provided in the job posting is not a true reflection of the aspects of the job it describes (R)," and "From the information I have received, I believe the job is very attractive." The scales were anchored by 1 = strongly disagree and 5 = strongly agree. The items indicated with "(R)" were reverse coded. A higher score indicated a higher credibility rating. The coefficient alpha for the credibility scale was 0.86.

<u>Manipulation Check</u>. Measures were taken at the end of the study to determine if the manipulations were successful for the job previews and the additional information. The job preview manipulations were measured by two items rated on the same 5-point Likert-type scale and included "the job posting provided both positive and negative information about the internship" and "the job posting was sugar-coated, providing only positive

	Mean	SD	Ν	
Job Preview	3.38	0.74	65	
Positive	5.56	0.74	03	
Realistic	3.11	0.72	66	
Additional Information				
None	3.16	0.67	44	
Positive	3.52	0.77	44	
Realistic	3.05	0.71	45	
	Positive		Realistic	
Additional Information	Mean	SD	Mean	SD
None	3.34	0.64	2.98	0.66
Positive	3.89	0.43	3.16	0.86
Realistic	2.90	0.77	3.18	0.63

 Table 1: Means and Standard Deviations for Credibility by Cells and by Condition

information." The coefficient alpha of these two items was 0.91. Additional job and company information manipulations were also measured by two items rated on the same 5-point Likert-type scale. The questions testing the manipulation check related to the *Wall Street Journal* article that provided additional company information to a subsample of the students included "the information in the article provided an extremely positive outlook on the internship program" and "I received information in the article that indicated there are negative aspects to the internship." These two items combined to form an average measure with a coefficient alpha of 0.82. Section 2 of the survey included questions on respondent demographics.

These findings compare favorably with the Fisher, et. al. (1979) study of source credibility, information favorability, and job offer acceptance, which had coefficient alphas ranging from 0.68 to 0.83 for the various scales used. Cell and marginal means and standard deviations for all measured variables are presented in Table 1.

Results

A t-test on the realistic job preview manipulation check indicated success as participants' ratings of balanced (positive and negative) information were significantly higher in the realistic condition than in the positive information only condition ($t_{129} = -11.60$, p < 0.001, $m_{\text{realistic preview}} = 3.79$, s.d. = 0.79, $m_{\text{positive preview}} = 2.02$, s.d. = 0.94). An analysis of variance (ANOVA) on the additional information manipulation check indicated the manipulation was successful, as participants' ratings of balanced information were significantly different between the conditions of positive additional information and realistic additional information (F = 182.57, p < 0.001, $m_{\text{realistic information}} = 3.66$, s.d. = 0.80, $m_{\text{positive information}} = 2.20$, s.d. = 0.88).

The hypotheses were tested using a two-way analysis of variance (ANOVA) and a priori contrasts, summarized in Table 2. Hypothesis 1 stated that realistic job previews will result in higher ratings of company credibility than positive job previews. As seen in Table 2, the test of this hypothesis was not supported as it resulted in a significant effect, F(1) = 5.51, p < 0.05 in the opposite direction (See Table 2). That is positive job previews resulted in higher ratings of corporate credibility than realistic job previews.

Source	Df	F
Job Preview	1	5.51*
Additional Information	2	5.81**
Job Preview and Additional Information	2	6.08**
Consistency Contrast	1	11.88***

Table 2: Analysis of Variance and Contrast for Manipulation

Hypothesis 2 stated the relationship between job preview and credibility would be moderated by additional information. As seen in Table 2, the interaction between job previews and additional information is significant, F(2) = 6.08, p < 0.005, thus supporting Hypothesis 2. Hypothesis 2a suggests for positive job previews, the more favorable the additional information, the higher the company credibility ratings. As seen in Figure 2, the pattern indicated by hypothesis 2a is supported. That is, for a positive job preview, realistic additional information had a lower credibility rating than both no additional information and positive additional information. Providing no additional information had a lower credibility rating than positive rating than positive additional information.



Figure 2: Interaction Between Additional Information and Job Preview

Hypothesis 2b stated for realistic job previews, realistic additional information will result in higher ratings of corporate credibility than either no additional information or positive additional information, while positive additional information will result in higher ratings of corporate credibility than no additional information. Again, as seen in Table 1, the predicted pattern is supported. However, the small difference between those with realistic additional information and positive additional information, may call into question the stability of this pattern. That is, the possibility exists that this relationship might not hold after further testing.

Hypothesis 2c states realistic job previews viewed with realistic information will result in higher ratings of credibility than realistic job previews with positive additional information. This hypothesis also states positive job previews viewed with positive information will result in higher ratings of credibility than positive job previews with realistic additional information. This hypothesis was tested by the contrast of consistent information (positive/positive and realistic/realistic) and inconsistent information (positive/realistic and realistic/positive). The results from the contrast for company credibility in Table 2 indicate that Hypothesis 2c is supported, F(1) = 11.88, p < 0.001.

As a way to assess the behavioral response of the subjects, a short debriefing session followed the completion of the survey. During the in-class debriefing session, the researchers explained to the students that the internship job was fictional. Upon hearing this news, many of the students expressed disappointment and several students indicated they had planned to apply for the position.

Discussion

The purpose of this study extends research in the employment and recruiting process from the job seeker's point of view by utilizing their perspective to better understand the connection between job attributes (such as company credibility) and recruiting practices (such as using realistic job previews). By using the two types of job previews (realistic and positive), it was possible to test the effects of consistent information (between the information provided by the company (the inside source) and the information obtained from an outside source) on a job seeker's perception of corporate credibility.

Although the results of Hypothesis 1 were significant, they did not provide the predicted pattern. Instead, the results indicated that RJPs were associated with lower credibility ratings. This finding could be due to a number of things ranging from students' inexperience in professional jobs to their unfamiliarity with this realistic of job advertisement. Because the realistic job preview was outside the realm of what the students usually see for typical job advertisements, they may have found it unbelievable and as such, from an untrustworthy organization. Likewise caution and rejection of the message would create a judgment of low credibility for the company presenting such an advertisement. Inexperienced students may have found a realistic job preview unbelievable because their expectations would be that an organization would try to create a favorable impression to attract the best or most applicants. Their inexperience could also cause them to overlook unfavorable aspects of jobs in general, especially in the professional jobs they most desire.

Hypothesis 2 focused on the interaction of additional information with the different job previews. Overall there was a significant interaction between job preview and additional information indicating that addition information does, in fact, impact the relationship between job preview and corporate credibility. The patterns tested with Hypothesis 2a, 2b, and 2c, which were as expected, give a more detailed view of how the interaction works. These findings suggest how individuals view company credibility could be affected by the consistency of information they receive from the company and from additional outside sources such as news articles. Interestingly the condition of positive-positive received the highest credibility, which lends support to the previous explanations of students expecting positive information and thus rated the organization as more credible when they received two sources of positive information (the job preview and the additional information). This is further confirmed by the fact that positive job preview with no information had a higher mean than any of the realistic job previews. Students' general inexperience with jobs may lead to some confusion about the negative information. They may have prior expectations to receive positive information.

When evaluating the realistic job previews, there were similar means especially when the subject was given additional information. The realistic-realistic condition was only slightly in credibility than the realistic-positive condition indicating that the students did not see positive additional information as conflicting to the realistic information provided in the job preview. Specifically, it appears individuals find an organization more credible when positive and consistent information is presented to them about that organization. The additional information provided serves as a confirming factor for information students read in the job preview.

The lowest rating of credibility occurred as expected when there was a positive preview and negative additional information, which appears to have ruined the creditability of the company. However, when analyzing the findings overall, it appears that any negative information brought credibility down to some extent. As such, when an organization considers campus recruiting strategies, if there is potential there is bad press on a company, it is better for organizations to present this information upfront and include it in the job preview to preserve the

corporate image. However, if there is only good information about the company in the press, a company can achieve a higher corporate image among potential applicants if only positive information is provided.

Implications for Theory and Practice

This study expands the earlier work on job attributes and how they affect the decision a job seeker makes about accepting a job. It has been established that company culture, advancement opportunities and the nature of work play important roles in the decision-making process of the job seeker. This study has added company credibility to the list.

In addition to broadening the area of job attribute affects, it also expands current knowledge focusing on reactions to alternative recruiting practices in the initial recruitment process for internships and job search. This study found that perceptions can be swayed before any contact has been made between the company and a prospective applicant, providing an extended view of how attributes of a job or company can be prescribed.

Research has studied the types of reactions resulting from the interview process. However, this research is limited to the applicants that actually apply for job positions, effectively ignoring the reaction of potentially qualified candidates who do not apply because of the negative image they received through the advertisement stage of the initial recruiting process. This study attempts to gauge the reaction of those individuals when presented job previews and other information. The findings of this study indicate that students responded positively to realistic job previews when presented with addition realistic outside information, which could be provided through press releases to credible sources such as the *Wall Street Journal* and other business sources do provide a more credible image of a company. Organizations may attempt to maximize the potential of their recruiting tools as well as utilize various information sources to provide a better corporate image.

Practical purposes for this study involve the importance of providing an accurate job description in less than positive situations, particularly in today's pervasive information era. For practitioners there is support for realistic job previews and job information. With opportunities for gathering additional job information available from websites, blogs, other Internet sources including social networking sites (i.e., Linked In, Facebook) there can be ample realistic information available.

Because more companies are using the Internet as a primary or even exclusive recruiting tool, many options are available, such as advertising on the company's website, through job search engines, such as <u>www.monster.com</u>, <u>www.jobs.com</u>, and <u>www.glassdoor.com</u> or in on-line newspaper help-wanted advertisements. In addition to advertising jobs on line, companies are also providing relevant information, including their purpose, their history, their mission and vision statements, corporate social responsibility initiatives, and other information on their website, providing insight into the company's culture to outsiders.

Areas for Future Research

In this exploratory study, students can be considered entrants to the job market, as virtually all of the students surveyed (95%) had either part-time or full-time job experience and would be searching for full-time jobs upon graduation. Future studies should validate these findings with additional and larger sample sizes as well as compare domestic and international samples. While internships are perceived as jobs to the students surveyed (see Fender & Watson, 2005), future research may want to move beyond the student population and consider actual jobs rather than internships. Another area for future study should be whether more inexperienced students believe generally positive information over individuals with work experience.

Incorporating employed job seekers looking to advance their careers, in future research rather than focusing on entry-level candidates alone would further our understanding of how potential applicants judge organizations when realistic information is provided in a job preview. This would provide a platform for generalizability of findings regarding RJP. Additionally, it would develop a refined understanding of the moderating effects of additional information on the relationship between job previews and perceptions of corporate credibility.

Further study is also needed on how candidates receive and process outside information before reading a job advertisement. Understanding how to effectively use resources in recruiting is important for business. In recognizing how attributes (such as corporate credibility) affect a company's ability to recruit (when using different recruiting options such as using realistic job previews), managers can better obtain the maximum desired effects. Further research is needed on job attributes including more studies of corporate credibility.

Another avenue for future research could include a longitudinal study to determine if a more realistic job preview leads to long-term higher satisfaction, higher job performance, and lower job turnover. Additional research is needed to determine if realistic information builds greater long-term trust and creates a better job fit. Other factors to consider when assessing long term job outcomes should include the moderating effects of the economy. In light of the current economy, additional research is needed to determine the moderating effects of economic conditions on the relationship between job previews and perceived credibility. For example, how will individuals judge the credibility of an organization advertising job positions in the face of frequent layoffs and widespread job loss.

8 | Effects of Informational Asymmetries on Job Seekers' Ratings of Organizational Credibility: Sung Hee "Sunny" Park et al.

Works Citation

- Adeyemi-Bello, T., & Mulvaney, W. (1995), "The development and administration of realistic job previews." *Equal Opportunities International*, 14(5), 1.
- Burt, C., Halloumis, S., McIntyre, S., & Blackmore, H. (2010). "Using colleague and team photographs in recruitment advertisements: Effects on applicant attraction." Asia Pacific Journal of Human Resources, 48(2), 233–250.
- Boswell, W. R., Roehling, M. V., LePine, M. A., & Moynihan, L. M. (2003), "Individual job choice decisions and the impact of job attributes and recruitment practices: a longitudinal field study." *Human Resource Management*, 42(1), 23-37.
- Bretz, R. D., Jr. & Judge, T. A. (1998), "Realistic job previews: A test of the adverse self-selection hypothesis." *Journal of Applied Psychology*, 83(2), 330-337.
- Buckley, M. R., Fedor, D. B., Veres, J. G., Wiese, D. S. & Carraher, S. M. (1998), "Investigating newcomer expectations and job-related outcomes." *Journal of Applied Psychology*, 83(3), 452-461.
- Buckley, M. R., Fedor, D. B., Carraher, S. M., Fink, D. D., & Marvin, D. (1997), "The ethical imperative to provide recruits realistic job previews." *Journal of Managerial Issues*, 9(4), 468-484.
- Buckley, M. R., Mobbs, T. A., Mendoza, J. L., Novicevic, M. M., Carraher, S. M., & Beu, D. S. (2002), "Implementing realistic job previews and expectation – lowering procedures: A field experiment." *Journal* of Vocational Behavior, 61, 263-278.
- Dugoni, B. L. & Ilgen, D. R. (1981), "Realistic job previews and the adjustment of new employees." Academy of Management Journal, 24(3), 579-591.
- Feldman, D. C., Bearden, W. O., & Hardestry, D. M. (2006), "Varying the content of job advertisements: The effects of message specificity." *Journal of Advertising*, 35(1), 123-141.
- Fender, D. L. & Watson, L. E. (2005), "OSH Internships: One program's perspective on benefits for students, employers and universities." *Professional Safety*, 50(4), 36-40.
- Fisher, C., Ilgen, D. & Hoyer W. (1979), "Source credibility, information favorability, and job offer acceptance." Academy of Management Journal, 22, 94-103. https://doi.org/10.2307/255481
- Gardner, W. L., Reithel, B. J., Foley, R. T., Cogliser, C. C., & Walumbwa, F. O. (2009), "Attraction to organizational culture profiles: Effects of realistic recruitment and vertical and horizontal individualism-collectivism." *Management Communication Quarterly*, 22(3), 437-472.
- Gatewood, R. D., Gowan, M. A., & Lautenschlager, G. J. (1993), "Corporate image, recruitment image, and initial job choice decisions." *Academy of Management Journal*, 36(2), 414-427.
- Gilliland, S. W. (1993), "The perceived fairness of selection systems: an organizational justice perspective." Academy of Management Review, 18(4), 694-734.
- Hovland, C. I., Janis, I. K., & Kelley, H. H. (1953), *Communication and Persuasion*, New Haven, NJ: Yale University Press.
- Knouse, S. (2009), "Targeted Recruiting for Diversity: Strategy, Impression Management, Realistic Expectations, and Diversity Climate." *International Journal of Management*, 26(3), 347-353,487.
- Kohn, L. S. & Dipboye, R. L. (1998), "The effects of interview structure on recruiting outcomes." *Journal of Applied Social Psychology*, 28, 821-843.
- Lee, T. W., Ashford, S. J., Walsh, J. P., & Mowday, R. T. (1992), "Commitment propensity, organizational commitment, and voluntary turnover: A longitudinal study of organizational entry processes." *Journal of Management*, 18(1), 15-32.
- Liu, Y.-L., Keeling, K. A., & Papamichail, K. N. (2018), "Maximising the credibility of realistic job preview messages: the effect of jobseekers' decision-making style on recruitment information credibility." *International journal of human resource management*, 29(7), 1330-1364.
- McLean, E. R., Smits, S. J., & Tanner, J. R. (1991), "Managing New MIS Professionals." Information & Management, April, 20(4), 257-264.
- Ma, R. & Allen, D. G. (2009), "Recruiting across cultures: A value-based model of recruitment." *Human Resource Management Review*, 19(4), 334-346.
- Meglino, B. M., Ravlin, E. C., & DeNisi, A. S. (1997), "When does it hurt to tell the truth? The effect of realistic job previews on employee recruiting." *Public Personnel Psychology*, 46, 803-822.
- Meglino, B. M., Ravlin, E. C., & DeNisi, A. S. (2000), "A meta-analytic examination of realistic job preview effectiveness: A test of the tree counterintuitive propositions." *Human Resource Management Review*, 10(4), 407-434.
- Newell, S. J. & Goldsmith, R. E. (2001), "The development of a scale to measure perceived corporate credibility." *Journal of Business Research*, 52 (3), 235-247 https://doi.org/10.1016/S0148-2963(99)00104-6
- Ohanian, R. (1990), "Construction and validation of a scale to measure celebrity endorsers' perceived expertise, trustworthiness, and attractiveness." *Journal of Advertising*, 19(3), 39-52.

- Pennington, N. & Hastie, R. (1988), "Explanation-based decision making: Effects of memory structure on judgment." Journal of Experimental Psychology: Learning, Memory, and Cognition, 14 (3), 521-533.
- Phillips, J. M. (1998), "Effects of realistic job previews on multiple organizational outcomes: A metaanalysis." Academy of Management Journal, 41(6), 673-690.
- Ployhart, R. E., Schmitt, N., & Tippins, N. T. (2017). "Solving the supreme problem: 100 years of selection and recruitment at the Journal of Applied Psychology." *Journal of Applied Psychology*, 102(3), 291–304
- Powell, G. A. (1984), "Effects of job attributes and recruiting practices on applicant decisions: a comparison." *Personnel Psychology*, 37, 721-732.
- Rynes, S. L, Bretz, R. D., & Gerhart, B. (1991), "The importance of recruitment in job choice: A different way of looking." *Personnel Psychology*, 44, 487-521.
- Roberson, Q. M., Collins, C. J., & Oreg, S. (2005), "The effects of recruitment message specificity on applicant attraction to organizations." *Journal of Business and Psychology*, 19(3), 319-339
- Saks, A. M., & Cronshaw, S. F. (1990), "A Process Investigation of Realistic Job Previews: Mediating Variables and Channels of Communication." *Journal of Organizational Behavior*, 11(3), 221.
- Slaughter, J. E., Cable, D. M., & Turban, D. B. (2014), "Changing Job Seekers' Image Perceptions During Recruitment Visits: The Moderating Role of Belief Confidence." *Journal of applied psychology*, 99(6), 1146-1158
- Spitzmüller, C., Neumann, E., Spitzmüller, M., Rubino, C., Keeton, K., Sutton, M., & Manzey, D. (2008),
 "Assessing the Influence of Psychosocial and Career Mentoring on Organizational Attractiveness." *International Journal of Selection and Assessment*, 16(4), 403-415.
- Taylor, M. S. & Bergmann, T. J. (1987) "Organizational recruitment activities and applicants' reactions at different stages of recruitment process." *Personnel Psychology*, 40, 261-285.
- Templer, K. J., Tay, C., & Chandrasekar, N. A. (2006), "Motivational cultural intelligence, realistic job preview, realistic living conditions preview, and cross-cultural adjustment." *Group & Organizational Management*, 31(1), 154-173.
- Travagline, A. M. (2002), "Online recruiting: Implementing internet-based realistic job previews." *Ph.D. dissertation*, Temple University, United States -- Pennsylvania.
- U.S. Bureau of Labor Statistics (2022), " Employment Projections: 2021-2031 Summary" retrieved from https://www.bls.gov/news.release/ecopro.nr0.htm on 09/08/2022
- U.S. Chamber of Commerce (2023) "Understanding America's Labor Shortage" retrieved from https://www.uschamber.com/workforce/understanding-americas-labor-shortage on 01/19/2023
- Wanous, J. P. (1980), Organizational entry: Recruitment selection, and socialization of newcomers. Reading, MA: Addison Wesley.
- Wanous, J. P. (1989), "Installing a realistic job preview: Ten tough choices." Personnel Psychology, 42, 117-134.
- Wanous, J. P., Poland, T. D., Premack, S. L., & Davis, K. S. (1992), "The effects of met expectations on newcomer attitudes and behaviors: A review and meta-analysis." *Journal of Applied Psychology*, 77(3), 288-297.