



# A Predictive Analysis on Person-Organisation Fit and Employer of Choice

*Neha Markose*

Sri Ramakrishna Engineering College

## 1. INTRODUCTION

### 1.1 Introduction to the Concept of Study

The importance of exploring and testing person-organization fit concepts and measures in a greater variety of cultural settings and with more diverse groups within the labor market has been acknowledged as an important academic endeavor. It explores the different types of employees and employment relationships that impact the relative importance of P-O fit in the hiring decision. Implementing P-O fit into the hiring process attempts to understand the selection process beyond the standard evaluation of professional knowledge, skills and abilities and it offers the potential for a more flexible and comprehensive approach to employee selection. The study also addressed the role of employer brand emotions in transferring employer brand determinants to the EOC. The present study extends the work further by investigating the role of the person-organization fit as a mediating variable in transferring employer brand dimensions to the EOC.

### 1.2 Theoretical Background of the Study

The person-organization fit can be understood as a fit between an employee's beliefs, values, and culture, on the one hand, and the employer's image, on the other hand (Lauver and Kristof

- Brown, 2001). The employer brand helps employees to decide whether they fit into an organization with respect to their values and personal skills or not. It helps increase their person-organization fit, and they perceive that their values and abilities match those of the organization's values and demands. Thus, the following hypothesis is formulated:

*H1. Dimensions of employer brand are positively contributing towards person-organization fit.*

In the next section, the relationships between the dimensions of employer brand and person-organization fit have been hypothesized separately.

**Person-Organization fit:** The person-organization fit as a mediating variable. The next relevant question is whether the person-organization fit helps in transferring employer brand dimensions toward the formation of an EOC. The study identified the effect of emotions associated with the employer brand as a mediating variable between the employer brand determinants and EOC. Hence, the following hypothesis is formulated:

*H2. The person-organization fit functions as a mediator between employer brand dimensions and EOC.*

**Employer of Choice:** Brands play a critical role in the job choice decisions made by applicants (Chapman et al., 2005). It is argued that the employer brand helps an organization showcase itself in the labor market as a EOC (Srivastava and Bhatnagar, 2010). According to The Conference Board (2001), one of the advantages emanating from the employer brand is the achievement of a reputation as being a EOC. Further, as highlighted by Branham (2001), one of the roles of the employer brand is to position the firm as an EOC in the minds of potential employees. Thus, the following hypothesis is formulated,

*H3. The greater the person job fit and organizational commitment, the greater the Employer of Choice*

### 1.3 Review of Literature

**Karnica Tanwar and Amresh Kumar, (2018)<sup>1</sup>.** "Employer brand, person-organization fit and Employer of choice" explores the relationship between employer brand dimensions and employer of choice (EOC). The paper also analyses the role of person-organisation fit in transferring employer brand dimensions to EOC status, and the moderating role of social media in the relationship between person organisation fit and EOC.

<sup>1</sup> [Tanwar, K.](#) and [Kumar, A.](#) (2019)<sup>1</sup>, "Employer brand, person-organisation fit and employer of choice: Investigating the moderating effect of social media", *Personnel Review*, Vol. 48 No. 3, pp. 799-823.

**Jana Makraiova, Paul Woolliscroft, Dagmar Caganova and Milos Cambal, (2016)<sup>2</sup>. “Person- Organisation fit as an Organisational Learning Tool in Employee Selection”** examined the current trends in the international business environment have been giving rise to increased cultural interconnections and interactions, reflected in the rapid global movement; both: geographical and interpersonal. It is indisputable that companies are seeking the most effective workforce to integrate within the organizational structure and to achieve the stated objectives and further expansion. The match between this culturally developed individual valueorientation and the nature of corporate culture in a particular organisation is referred to and amongst specialists well-known as person-organisation fit.

**Lorena Ronda and Carmen Valor, (2018)<sup>3</sup>. “Are they willing to work for you? An employee- centric view to employer brand attractiveness”** disentangles the role of employer attributes, employee benefits and employee perceived value in the study of employer brandsto better develop policies for talent attraction. This paper performs a systematic and critical review

of the literature on employer brand attraction from the lens of means-end chains to examine how the notions of “employer attributes”, “employee benefits” and “perceived value” have been addressed in past studies and what relations have been established among these three concepts.

**Helle Kryger Aggerholm, Sophie Esmann Andersen and Christa Thomsen, (2016)<sup>4</sup>. “Conceptualizing employer branding in sustainable organisation”** examined to reconceptualise employer branding in sustainable organizations at the intersection of branding, strategic human resource management (HRM) and corporate social responsibility (CSR). The suggested framework reconceptualises employer branding as an integrated part of a CSR strategy, thus offering a new way of approaching employer branding as supporting sustainable organizational development and long-term employer-employee relationships.

### *Statement of the Problem*

To drive best out of human resource it is essential to give the employers the task that is best suited to their efforts or competences. This study will add knowledge by showing that how person organization fit and employer of choice is measured and the importance of hiring the right talent to the firm. Because of its relationship with individual outcome variables, P-O fit has important implications for selection practices of organizations, which is analyses in the literature on antecedents of P-O fit.

### *Objectives of the Study*

The objective of this study is:

- i. To identify the relationship between Person organization fit and Job Satisfaction.
- ii. To identify the relationship between employer branding and employer of choice.
- iii. To identify the relationship between Person organization fit and organization commitment and to identify the moderating role of social media in the relationship between person- organisation fit and EOC.
- iv. To predict the model using ML Algorithms to find the effectiveness of job satisfaction, organizational commitment and willingness to remain in the same company.

### *1.3 Scope of Study*

This study is designed to identify the relationship between Person-Organization fit and Employer of Choice. A survey will be carried out which is subjected to the employees of BootLabs and Capgemini. A set of questionnaire will be asked to them and their feedback will be analyzed. The timeline is six weeks.

### *1.4 Methodology*

This paper aims to examine the factors affecting the person-organization fit and employer of choice in an organization. I started to search for recent articles (past five years from 2021) in ProQuest and Research Gate using a combination of terms related to employer of choice, person- organization fit and employer of branding.

<sup>2</sup> Jana Makraiova, Paul Woolliscroft, Dagmar Caganova and Milos Cambal, (2016)<sup>2</sup>. “Person- Organisation fit as an Organisational Learning Tool in Employee Selection”, Vol.76 No.4.

<sup>3</sup> Lorena Ronda and Carmen Valor, (2018)<sup>3</sup>. “Are they willing to work for you? An employee- centric view to employer brand attractiveness”, Vol. 33 No. 1, pp. 122 -36.

<sup>4</sup> Helle Kryger Aggerholm, Sophie Esmann Andersen and Christa Thomsen, (2016)<sup>4</sup>. “Conceptualizing employer branding in sustainable organisation”, Vol. 22 No. 1, pp. 138 -162

**Research design:** A research design is a matter plan specifying the methods and procedures for collecting and analyzing the needed data. It is the frame work for the research plan of action. Research design based on the descriptive research technique employing the survey method and analysis is made on this primary data collected for this projects study.

**Sampling framework:**

**Population:**

The questionnaire was distributed to 100 employees working in BootLabs and Capgemini.

**Sampling Type:**

In this study, the convenience sampling type was followed where the readily data was collected from the respondents.

**Sample Size:**

The sample size is of 100 employees from BootLabs and Capgemini.

**Data collection:**

The primary data was collected through questionnaire created in Google forms and circulated to the employees of BootLabs and Capgemini. The secondary data was referred from some referrals and websites (ResearchGate, ProQuest). The questionnaire was referred from the article "Employer brand, Person-Organization fit and employer of choice (Karnica Tanwar, 2018)". The data was collected from the employees working in BootLabs and Capgemini.

**Analysis used:**

SMART PLS software has been chosen as one of the most popular research for structural equation modeling (SEM) analysis. Machine Learning Algorithms are used to analyse and predict the received responses. In SMART PLS, the following analysis were carried out:

1. Bootstrapping
2. Factor Analysis
3. Cronbach's Alpha test
4. Fornell-Larcker criterion
5. KNN classification
6. Extreme Gradient Boost
7. Logistic Regression

**Limitations:**

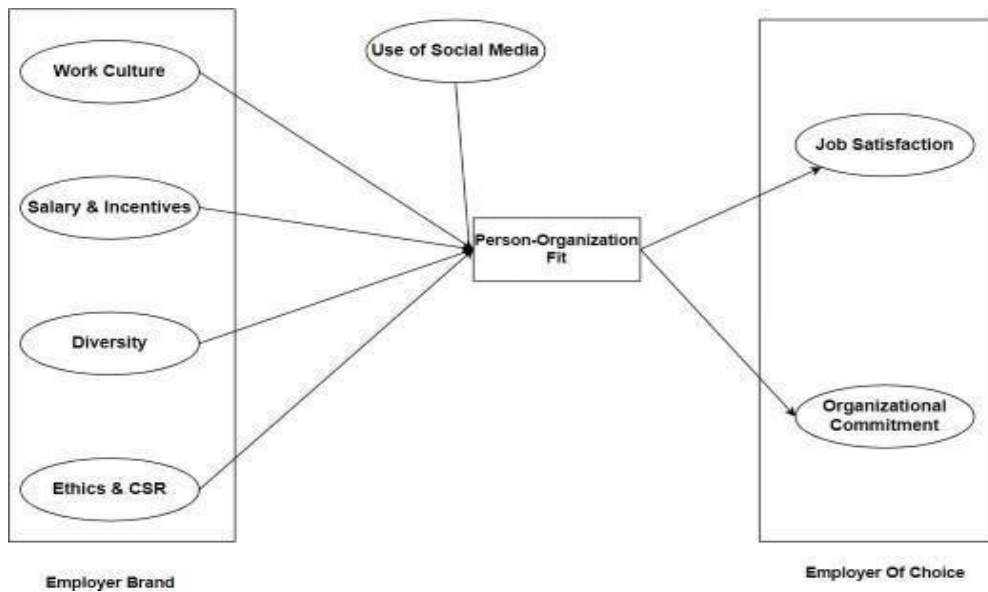
- Duration is limited to 6 weeks
- The study was limited to the extent of information provided by the employees
- The responses from the employees could be biased
- The information was collected through questionnaire is subject to willingness of the respondent to respond.
- The response was collected from two companies so there will be cultural differences which effects the final outcome.

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## ANALYSIS AND INTERPRETATION

This analysis explores the relationship between the employer brand dimensions and the person- organization fit of an employee. It analyses the role of the role of the person-organisation fit as a mediating variable in transferring employer brand dimensions to the EOC. Smart PLS is used to analyze the data received from employee's feedback and surveys. Nowadays, (PLS-SEM) is considered as one of the best new alternative to (CB-SEM). Moreover, (PLS-SEM) has received several improvements recently such as; confirmatory analysis, impact-performance matrix analysis, non-linear effects, and moderating and mediating effects (Hair et al., 2012).

**CONCEPTUAL MODEL**

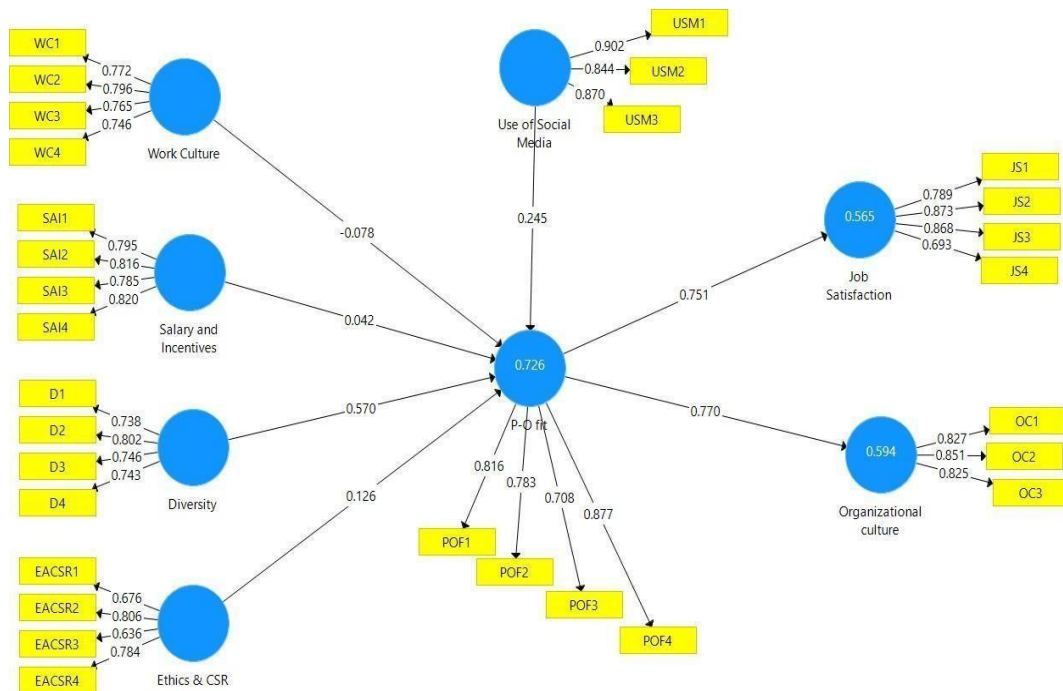


**Fig. 4.5** Conceptual Model

**DATA ANALYSIS – SMART PLS**

SMART PLS software has been chosen as one of the most popular research for structural equation modeling (SEM) analysis. Business research in recent years have shown a greater dependency on structural equation modeling (SEM) as one of the best mainstream methods to analyze topics of business management field. For using SEM, there are pair of methods; the first one is the covariance based techniques (CB-SEM) while the other is the variance-based partial least squares (PLS-SEM).

**Exploratory factor analysis (initial test)**



**Fig. 4.6** Result of Initial Test-Smart PLS

Construct Reliability and Validity				
Matrix	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
	Cronbach's ...	rho_A	Composite ...	Average Va...
Diversity	0.753	0.755	0.843	0.574
Ethics & CSR	0.704	0.722	0.818	0.532
Job Satisfac...	0.820	0.828	0.882	0.654
Organizatio...	0.783	0.784	0.873	0.697
P-O fit	0.808	0.815	0.875	0.637
Salary and L...	0.818	0.821	0.880	0.646
Use of Soci...	0.843	0.847	0.905	0.761
Work Culture	0.772	0.772	0.854	0.593

**Table 4.1** Construct Reliability and Validity

### Machine Learning Algorithms:

Machine Learning (ML) methods hav

e been proposed in the academic literature as alternatives to statistical ones for statistic forecasting. Artificial Intelligence (AI) has gained considerable prominence over the last decade, fueled by a number of status applications in Autonomous Vehicles (AV), intelligent robots, image and speech recognition, automatic translations, medical and law usage. The successes of AI are supported by the use of algorithms capable of learning by trial and error and improving their performance over time, not just by step-by-step coding instructions supported by logic, if -then rules, and decision trees, which is the sphere of traditional programming. In this research paper, the following algorithms are carried out to predict how job satisfaction and organizational culture affect the person-organization fit:

#### 1. *K-Nearest Neighbor Regression (KNN)*

#### **K-Nearest Neighbor Regression**

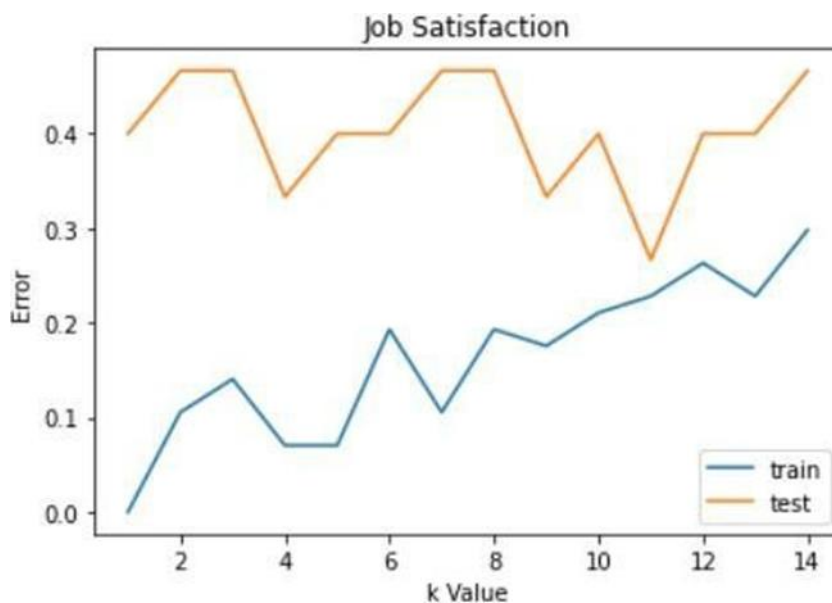
KNN is a nonparametric regression method basing its forecasts on a similarity measure, the Euclidean distance between the points used for training and testing the method. Thus, given the  $N$  inputs, the method picks the closest  $K$  training data points and sets the prediction as to the average of the target output values for these points. The  $K$  parameter, which determines the smoothness of fit, is once again optimized together with the number of inputs using the 10 -fold validation process. The inputs, which are linearly scaled, may vary from 1 to 5 and the  $K$  from 2 to 10. In this analysis, 80% of the data is taken as the training data and 20% is the testing data. To find the  $K$  value, the first step is to calculate the distance between the new point and each training point. In this analysis, Euclidean distance is used to calculate the square root of the sum of the squared differences between a new point ( $x$ ) and an existing point ( $y$ ).

#### **Ways to perform K-NN:**

```
knn= KNeighborsClassifier(n_neighbors=7) knn.fit(X_train,y_train)
```

```
y_pred= knn.predict(X_test)
```

```
print("Accuracy = ", metrics.accuracy_score(y_test,y_pred))
```



**Chart No: 4.5** KNN Classification

From the above graph, it is found that there is a slight steady increase in the job satisfaction level thus, the maximum accuracy value is 0.5333 where K=14.

```
knn= KNeighborsClassifier(n_neighbors=7)
knn.fit(X_train,y_train)
y_pred= knn.predict(X_test)
print("Accuracy = ", metrics.accuracy_score(y_test,y_pred))
```

Accuracy = 0.5333333333333333

## CONCLUSION

### 5.1 Results and Discussions:

From the above studies, it is found that there is a significant positive relationship between Person- Organization fit and employer of choice. Machine learning algorithms have helped to predict the future of the organization's growth and employee retention. Multiple regression test result revealed that P-O practices which represents the independent variable has a signified a positive relationship with organizational effectiveness. It is clearly evident that the person-organization fit could improve the organization's culture and the employees will remain in the company. Thus, person-organization represents the magic stick that can attain the optimal level of an organization.

## REFERENCES:

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