Job choice decisions: understanding the role of nonnegotiable attributes and trade-offs in effective segmentation

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Abstract-

Purpose

This research draws upon decision-making theory to study job choice decisions. Past studies measured job choice as a single-stage, compositional process addressing the weights and part-worth utilities of a selected number of job and organizational attributes. However, the presence of noncompensatory attributes and whether the utilities and weights attached to the attributes vary among applicants have not been addressed. The authors posit that a conjoint analysis is an accurate methodological technique to explain job choice and overcome these limitations.

Design/methodology/approach

Using a random sample of 571 participants, we conducted an adaptive choice-based conjoint analysis to estimate the weighted utilities of eight employer attributes and a cluster analysis to identify differences in preferences among employee profiles.

Findings

The results reveal that the use of the conjoint technique contributes to the literature in two ways. First, the results demonstrate the relevance of nonnegotiable attributes in the design of job offers. The results show that Salary, Flexibility and Ethics serve as cutoff points. Second, the results highlight the importance of considering the latent preferences of applicants in crafting effective job offers and adequately segmenting job applicants. More specifically, the following three groups are identified: Career-seeking applicants, Sustainability-oriented applicants and Pragmatic applicants.

Practical implications

The managerial implications of this study are relevant for HR and employer brand managers since a better understanding of the job-choice process and implementing a decompositional method to understand applicants' preferences could allow firms to provide more customized and relevant job offers to employees of interest.

Originality/value

This study concludes that to implement efficient employer-attraction branding strategies, employers should understand the attributes considered noncompensatory by their employee target audience, promote the most valued/important attributes to ensure that job offers are customized to fit employees' underlying preferences, and devise trade-off strategies among compensatory attributes.

Index Terms- Employer attractiveness; Job choice; Adaptive choice-based conjoint; Job preferences

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