Chapter XVI
What Makes the Difference? 
Introducing an Integrated Information System Architecture for Employer Branding and Recruiting

Sven Laumer
University of Bamberg, Germany

Andreas Eckhardt
University of Frankfurt a. Main, Germany

ABSTRACT

In 2007 Erickson and Gratton asked “What it means to work here” and discussed the need for a structured approach to establishing an employer image among potential employees. In July 2007, Lee also proposed an architecture for a next-generation holistic e-recruiting system. Based on these ideas and a design science approach we propose an extension of this framework by adding employer branding as an important new component and structured sub-process. Based on an extensive review of IS and HR literature, we show how employer branding should be integrated into the existing architecture to develop and implement an effective employer branding strategy. The results are a first step towards an architecture for a holistic e-HR management system.

INTRODUCTION

“What it means to work here”. In a 2007 discussion Erickson and Gratton asked the question, “What makes a firm attractive for employees?” Many applicants might prefer large companies with strong brand reputations. However, product brand and employer brand are different, and there are substantially more firms looking for employees than most candidates realize. In fact, it is easy to conclude from the literature that a top-notch image is the exclusive province of a select few (e.g. Keller, 2002). Hence, firms need to develop a strategy to promote themselves as
What Makes the Difference?

In a competitive labor market, one way for a business to stand out is to develop an employer ‘brand’ that will attract good candidates. An employer brand is a set of tangible and intangible attributes and qualities that make an organisation distinctive, promise a particular kind of working experience, and appeal to those people who will thrive and perform their best in its culture (Lievens et al. 2007, Know & Freemann, 2006). However, as Erickson and Gratton (2007) point out, “companies—even very large ones—don’t need to be all things to all people. In fact, they shouldn’t try to be.” While e-recruiting has matured substantially over the years, the recruiting sub-process of employer branding is considered to be particularly important but not sufficiently mastered by HR executives. As our review of marketing, recruiting and IS literature indicates, there is a need for a structured approach to managing the recruiting process and supporting it with information systems. The existing models of the recruiting process cover all important aspects other than employer branding.

The approach of our paper is therefore to extend the architecture of the holistic e-recruiting system introduced by Lee (2007) to structure both the process and the supporting information systems for the recruiting process and the employer branding approach.

Therefore we chose a design science approach (Hevner et al., 2004) to develop an IT-architecture which would align the holistic e-recruiting system with the Employer Branding process. Our research design is based on the approach with seven guidelines created by Hevner et al. (2004). However, we have not yet addressed the evaluation of our architecture design and suggest this for further research. To provide a rigorous research design we followed these guidelines and structured our paper as follows. The following section analyses the problem of whether or not there is a need for a structured recruiting process. A rigorous theoretical background to the concept of employer branding as discussed in the marketing and recruiting literature and an overview of existing models of the recruiting process can be found in section 3. This section also analyzes the need for extending the existing architecture of an e-recruiting system as propounded by Lee (2007). In section 4 we discuss an extension by adding the process steps of developing and implementing an employer branding strategy. Section 4 explains the design as a search process and leads to the artifact of this research, and we extend e-recruiting architecture in section 5. A brief summary pointing out the research contribution of our results with a statement of their implications for further research finalizes the paper in sections 6 and 7.

PROBLEM RELEVANCE

This section discusses the relevance of our research topic and presents the findings of our literature review. Due to a global talent shortage, for example for groups of engineers and IT workers, we identified corporate staff recruitment as an interesting research area. As shown by a current call for papers by the European Journal of Information Systems (EJIS) (Riemenschneider et al. 2008) and surveys such as Luftman’s issues for IT-executives (Luftman et al. 2006), the successful hiring of specific target groups as IT professionals is a major challenge in both theory and practice.

In 2002 Agarwal and Ferratt forecast that talent shortage on the IT labor market will cause an enduring problem. The imbalance between demand and labor supply can be traced back to the 1980s. At that time the Fortune 500 firms in the US often had more than 100 vacancies for IT-specific work profiles. In economically underdeveloped regions of the country in particular, it became extremely difficult for companies to recruit qualified IT-workers (Rifkin 1989). The importance of both information technology and its workforce increased over the following years.