

# **CHAPTER I**

## **INTRODUCTION**

### **1.1. Background**

In this new era of globalization, many industries have serious difficulties in recruiting potential employee in the wake of significant shifts in the demographic composition of labor markets and rapid changes in technology. These significant changes have resulted in organizations devoting considerably more resources to activities oriented towards attracting qualified individuals.

As recruitment is the primary mechanism used by organizations to attract qualified applicants, this discipline is receiving increased recognition among academic scholars as organizations seek to establish a competitive advantage over competitors in response to shifts in labor market conditions.

For the company, building a good reputation in the qualified applicant's eyes is same like building a good brand image. In the recruitment, the company needs to build a good brand or company image so that a qualified applicant is more interested to join with the company to work and grow. This is the same like in marketing, where the company should build a good brand image to the customers so that the company will get as many loyal customers.

The applicants are often too particular in choosing the company they want to work for. The reason is that generally job applicants

want to work for a big and well known company. Big companies are preferred because of their prestige, the facilities that company gives to the employee, and attractive salary or benefits that company offers. However, applicants who choose the company for a job sometimes do not fit with the qualifications that company requires from the applicants.

The process of recruitment and selection process of PT X Company is very competitive starting from choosing the applicant that should match with the qualification of the PT X Company. The selection process uses the mini psychological test and interview with the Human Resource Department..

The company image is one the reason why applicants choose a company where they want to work. Company image is represented by other variables that will be the consideration why PT X Company is preferred than many companies which the applicants can apply for a job. They are working condition, wages/salary, and job position.

What is an applicant's perspective about the image of the company that they are willing to work for? This is the central question that this study attempts to answer in this Case Paper. By gathering information based from a survey of job applicants of PT X Company participating in Job Fair as well as those who taking in daily test & interview in the company, the study will find out the factors of company image that attract applicants to choose PT X Company for employment.

## **1.2. Scope of Research**

In this Case Paper, the main focus will be to discuss about the image of PT X Company from the perspective of the job applicants. The research tries to investigate how the company image influences from the point of view attraction to its applicants who choose PT X Company for a job.

The data for this study comes from a survey questionnaire given to 200 job applicants. Everyday there are as many as 15 applicants who send their curriculum vitae to PT X Company through post and also there are around 3 applicants that do the interview in PT X Company per day.

## **1.3. Objectives of Research**

The objectives of this Case Paper are first, to identify the factors related to an applicant's impression of company image attractiveness as an employer prior to interview. And second, also to investigate the influence of company image from the perspective of applicants who apply for a job in PT X. By identifying the factors, this study aims to help the recruitment and selection process of the PT X Company.

#### **1.4. Significance of Research**

1. Academic Purpose.

This Case Paper can be useful to widen the knowledge for the academic, scholars, and researchers who want to do research on applicant attraction. The results of this research hopefully can be a reference for studies related to applicant attraction for academic purposes.

2. Practical Purpose

This Case Paper can give contribution and help the company to find out the factors that influence job applicants to choose PT X Company for a job and eventually help them in their recruitment and selection process.

#### **1.5. Research Question**

1. Do company image influence the applicant to apply in PT X Company?
2. Do company image influence applicant interest to apply to the company?
3. Do positive image perceptions lead to intentions to apply for a job the company?

## 1.6. Chapter Outline

This case paper is divided into five chapters. The details of each chapter are shown below:

a. CHAPTER I : INTRODUCTION

This chapter describes the research topic and the aim of this research. It covers the background, scope of research, objective, significance of research, and finally the chapter outline.

b. CHAPTER II : LITERATURE REVIEW

This Chapter provides the theoretical framework that has been used throughout the study. Some concepts are used to analyze the results and findings of the study

c. CHAPTER III : RESEARCH METHODS

This chapter provides a brief explanation on how the data was collected and how these data will be analyzed to achieve the objective of this research.

d. CHAPTER IV : ANALYSIS AND DISCUSSION

This chapter begins with the description of the company and its current recruitment and selection process. It explains the system in how the company recruits the

job market and how it chooses new employees among the applicants. A large part of this chapter will discuss the results and findings based on analysis of the data collected for this research.

e. CHAPTER V

: CONCLUSION AND SUGGESTION

This chapter gives the conclusion about this Case Paper and intends to give some suggestion to improve the company's recruitment and selection process.